



# **National Childcare Scheme**

## **Policy Guidelines**

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# 1. Introduction and Glossary

This chapter provides a short introduction to the National Childcare Scheme and presents the key terms used throughout the document.

## 1.1 Introduction and overview of the Scheme

The National Childcare Scheme (legally known as the Affordable Childcare Scheme) is a national scheme of financial support for parents towards the cost of their childcare. The Scheme includes two types of subsidies towards the cost of quality childcare:

- 1) a **universal subsidy** is payable for children between the ages of 24 weeks and 36 months who are using childcare services with an approved childcare service provider. It is also payable for a child who is older than 36 months but does not yet qualify for the Early Childhood Care and Education programme. The universal subsidy is not means-tested and is available to all qualifying families of any income level.
- 2) an **income-related subsidy** is payable for children from 24 weeks to 15 years of age who are using childcare services with an approved childcare service provider. The level of subsidy is determined by the family's reckonable income (i.e. gross income minus tax and other deductibles and minus any applicable multiple child discount- see chapter 4). The income-related subsidy is payable for qualifying families where the family's annual reckonable income is up to a maximum of €60,000.

A person can apply for the subsidy online at [www.ncs.gov.ie](http://www.ncs.gov.ie) or by post<sup>1</sup>. Where they qualify, they will be provided with a unique code, called a CHICK (**Childcare Identifier Code Key**) which they can take to any registered childcare service provider participating in the Scheme. Once the parent and the provider have agreed the hours of childcare required, the provider will register the code on the Scheme's online system in order to redeem the subsidy. As part of redeeming the subsidy, the provider will enter the hours of childcare to be subsidised. The parent will be asked to confirm these hours and the subsidy can then be directly paid to the provider on the parent's behalf.

A summary of how the scheme operates for online applicants is presented diagrammatically overleaf.

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<sup>1</sup> The Scheme will be implemented on a phased basis. It will open to online applications from 15<sup>th</sup> November 2019 and to postal applications from end January 2020.

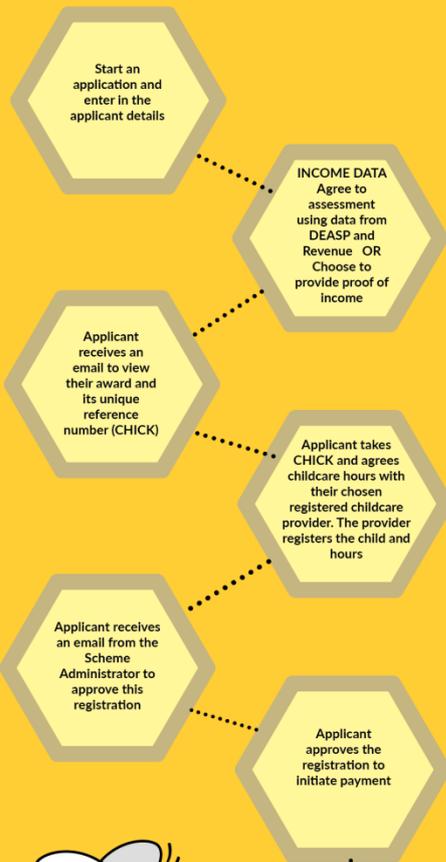
## Applying for a Subsidy



Log onto [ncs.gov.ie](https://ncs.gov.ie)  
and use your verified  
MyGovID to start an  
application

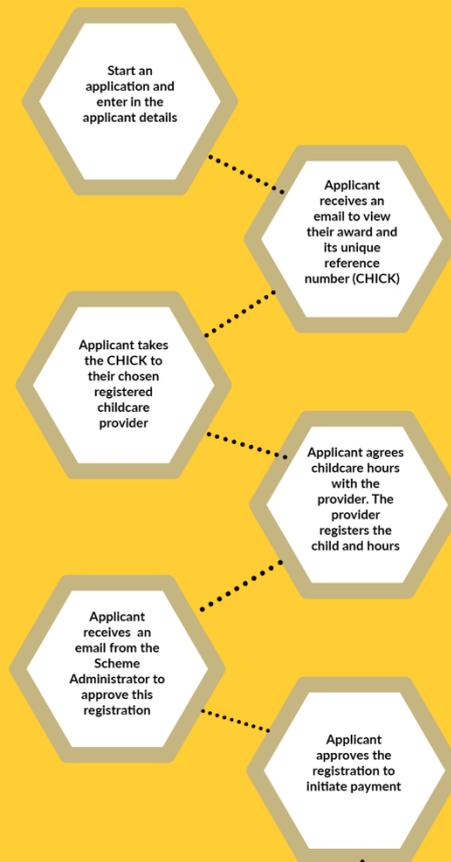
### Income Assessed

If your child is between 24 weeks and 15 years old and your reckonable\* income is under €60,000, then apply for the Income Assessed route



### Universal

If your child is between 24 weeks and 36 months and your reckonable income is over €60,000, then apply for the Universal subsidy route ( available to all income levels )



**Subsidies Paid to your Childcare Provider on your behalf**

\*Reckonable income means net income minus any multiple child discount, if applicable. Please see sections 4.7- 4.9 of these guidelines for further detail.

## 1.2 Status and Purpose of these Guidelines

These Guidelines are issued under section 4 of the Childcare Support Act 2018 and have been approved by the Minister for Children and Youth Affairs.

The document is part of a suite of reference materials which provide information on the operation of the National Childcare Scheme.

The Childcare Support Act 2018 and associated regulations provide the legislative basis for the Scheme. The other key governance documents for the Scheme are:

- (a) the formal designation of the Scheme Administrator by the Minister and the supporting Service Level Agreement<sup>2</sup>,
- (b) the agreements between the Minister and childcare service providers who have chosen to participate in the Scheme, and
- (c) the agreements between the Minister and the public bodies who can refer children to the Scheme where childcare support is needed for child development, child welfare or other specified reasons (“sponsorship agreements”).

This Policy Guidelines document sets out the rules governing the Scheme, reflecting both the primary and secondary legislation.

There is also a series of guides detailing the Standard Operating Procedures, which act as operational manuals for the Scheme Administrator in running the Scheme.

A number of additional resources, including information booklets and Frequently Asked Questions for both parents and childcare service providers, are available on [www.ncs.gov.ie](http://www.ncs.gov.ie). Please see Chapter 15 for a detailed diagram of the Scheme governance framework.

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<sup>2</sup> The Service Level Agreement which sets out the terms and conditions for Pobal’s appointment as Scheme Administrator is termed a Performance Delivery Agreement and sits under an overarching Service Level Agreement which is in place between the Department of Children and Youth Affairs and Pobal.

## 1.3 Glossary

*Please note that these definitions are not a legal interpretation of the National Childcare Scheme and are provided for information purposes only.*

### A

**“Appeal”** means an appeal made to an appeals officer in respect of a review decision made by the scheme administrator.

**“Appeals officer”** means a person appointed by the Scheme Administrator with the consent of the Minister to work independently to consider appeals against decisions made under the Scheme.

**“Applicant”** means a person seeking a subsidy on behalf of a child/children under the Scheme.

**“Application”** means an application made to the Scheme Administrator for a subsidy under the Scheme.

**“Approval”** means the number of hours of subsidised childcare per week, for both term time and non-term time, decided by the Scheme Administrator on the basis of the registered hours and the subsidy award.

**“Approved childcare service provider”** means a childcare service provider in respect of which there is an agreement between the provider and the Minister.

**“Award”** means the decision of either a non-income related or an income related assessment process in relation to an individual child, which results in a subsidy rate and is valid for a period of time. It includes an hourly subsidy amount and a maximum number of eligible hours that may be claimed. Every Award will have a unique reference number called a CHICK.

### C

**“Childcare Identifier Code Key” or “CHICK”** means the unique reference number that the Scheme Administrator provides to a successful applicant for a subsidy in respect of a child. It may be thought of as the voucher code you use to redeem your subsidy.

**“Childcare service provider”** means the provider of a pre-school or school age childcare service, which is registered with Tusla on the register of childcare service providers maintained by Tusla under section 58C of the Child Care Act 1991.

**“Claim”** means the childcare hours claimed by a parent against the award and registered by a service provider on the National Childcare Scheme system for the purposes of receiving a subsidy.

**“Cohabitant”** shall be construed in accordance with section 172 (1) of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010.

**“Couple”** means two people who are habitually living together who are–

- (a) married to each other,
- (b) civil partners of each other, or
- (c) cohabitants.

**“Co-payment”** means the sum of money the parent must pay to an approved provider for childcare services. It is the fee agreed between a parent and a childcare provider (which must not be greater than the relevant published fee) less the subsidy payable under the Scheme.

## **D**

**“Data Controller”** means the natural or legal person, public authority, agency or other body which, alone or jointly with others, determines the purposes and means of the processing of personal data: where the purposes and means of such processing are determined by European Union or Member State law, the controller or the specific criteria for its nomination may be provided for by EU or Member State law. The Data Controller is the Department of Children and Youth Affairs and will be referred to as DCYA in this document.

**“Data Processor”** means a natural or legal person, public authority, agency or other body which processes personal data on behalf of the controller, but who is not an employee of the Department of Children and Youth Affairs. The Data Processor is Pobal and will be referred to as Pobal in this document.

**“Data Subject”** refers to an individual who is the subject of personal data, i.e. to whom the data relates either directly or indirectly.

## **E**

**“Early Start”** is a programme funded by the Department of Education and Skills that provides a year of free pre-school provision in a number of primary schools in designated disadvantaged areas.

**“ECCE”** means the Early Childhood Care and Education programme funded by the Department of Children and Youth Affairs. It is sometimes referred to as the ‘free pre-school programme’.

**“Education stage”** means the stage of education the child is currently at (e.g. Junior Infants, 1<sup>st</sup> class of primary school, 2<sup>nd</sup> year of secondary school).

**“Eligible”** means meeting the criteria to submit an application for the Scheme.

**“Enhanced hours subsidy”** means a subsidy of up to 40<sup>3</sup> hours per week.

**“Enhanced hours criteria”** means the suite of criteria which determine whether an applicant qualifies for an enhanced hours subsidy (as opposed to a standard hours subsidy) in respect of

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<sup>3</sup> From September 2020, the maximum hours for an enhanced hours subsidy will increase to 45 hours per week.

a child. The main criteria are whether an applicant is in work or study (see section 5.2.3 of these guidelines for further information).

## F

**“Family group”** means the group of people whose information should be included on an application for an income-related subsidy. It comprises the applicant, the applicant’s partner where applicable, and any of their children under the age of 15 who live with them (including children for whom they are acting *in loco parentis*).

**“Fee”** means the sum of money that a provider charges a parent for childcare services before discount of any subsidy. It must be agreed in writing between the parent and the childcare service provider.

## I

**“Income-related subsidy”** means a subsidy provided on the basis of an applicant’s reckonable income.

**“In loco parentis”** applies where a person is actively parenting the child on an ongoing basis including meeting the needs and expenses of the child. It includes circumstances without a formal arrangement approved by the court, as well as circumstances where the person has been appointed as a guardian.

## M

**“Manual”** means where the application is processed by an officer of the Scheme Administrator as distinct from the application being dealt with through automated assessment processes. (It differs from the concept of online and paper-based applications as set out at section 3.1).

**“Minister”** means the Minister for Children and Youth Affairs.

## N

**“NCS”** means the National Childcare Scheme.

**“Net Income”** means the combined income of the applicant and their partner (or sole income in the case of a one parent family) less income tax, PRSI, USC, and certain allowable deductions.

**“Non-term time week”** means the weeks during which a child is not participating in the ECCE programme, the Early Start programme or school.

## P

**“Parent”** should be understood to include a legal guardian or a person acting *in loco parentis*.

**“Partner”** means a spouse, civil partner or cohabitant, i.e. the person who is the other member of the couple.

**“Personal Data”** means any information relating to an identified or identifiable natural person (‘data subject’). An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

**“Portal”** means the online mechanism for the parent or the provider to access the Scheme’s computerised system.

**“Primary Authorised User”** means a person nominated by a childcare service provider to manage all interaction between the Scheme Administrator and a childcare service provider. This person also has the authority to sign contracts on behalf of their organisation.

## R

**“Reckonable income”** means net income minus any multiple child discount, if applicable. Please see sections 4.9- 4.11 of these guidelines for further detail.

**“Registered hours”** means the amount of hours of childcare to be provided by the childcare service provider, up to the maximum number of eligible hours specified in the award, as agreed between the provider and the parent and input on the provider portal.

**“Registration”** means the point at which the childcare service provider adds a child to the Scheme system (via the provider portal) using the CHICK as provided by the parent. This will ‘unlock’ or redeem the award for that specific child. The provider enters the registered hours of childcare for that particular child on the system. This marks the starting point from which parents can claim their subsidy.

**“Renewal”** refers to the process by which a parent who is already benefiting from a subsidy applies for a renewal of their subsidy. It involves a fresh assessment of the applicant’s eligibility and relevant circumstances.

**“Review”** means a re-examination of a decision made by the Scheme Administrator in relation to eligibility for the Scheme, an award determination or payment of a subsidy. It may be initiated by the applicant, the provider or the Scheme Administrator. A review is a step that takes place prior to an appeal being made to an appeals officer.

## S

**“Saver”** means a person who, on the day prior to the launch of NCS, is a beneficiary of one of the childcare schemes which is being superseded by NCS and who chooses not to move to NCS and instead retains their existing level of subsidy for an additional interim period.

**“Scheme”** means the National Childcare Scheme.

**“Scheme Administrator”** means the organisation appointed to administer the Scheme. The Minister for Children and Youth Affairs has appointed Pobal as the Scheme Administrator.

**“Special Categories of Personal Data”** (as defined by GDPR legislation) means

- Personal data which reveals any of the following; Racial or Ethnic Origin; Political Opinions; Religious or Philosophical beliefs; Trade Union membership.
- The processing of genetic data, biometric data for the purpose of uniquely identifying a natural person;
- Data concerning physical or mental health, including the provision of health care services, which reveal information about the data subject's health status;
- Data concerning a natural person's sex life or sexual orientation.

**“Sponsor”** means a specified public body which refers a child to the Scheme because childcare is deemed necessary on grounds of child development, child welfare, family support or other specified grounds.

**“Standard hours subsidy”** means a childcare subsidy of up to 15 hours per week<sup>4</sup>.

**“Study”** means any education or training programme that leads to an award on the National Framework of Qualifications and that is accredited by either Quality and Qualifications Ireland (QQI), the State Examinations Commission or is listed on the NARIC Ireland Foreign Qualifications Database.

**“Subsidy”** means the weekly amount paid by the Scheme Administrator to a childcare service provider on behalf of a successful applicant as financial support for childcare services for a child.

**“Subsidy rate”** means the subsidy per hour of childcare.

## T

**“Term-time week”** means a week agreed between a parent and a provider as a term-time week during which a child is eligible to participate in the ECCE programme, the Early Start Programme or school.

## U

**“Universal subsidy”** means a subsidy provided on the basis of the age of a child regardless of an applicant's reckonable income.

## W

**“Work”** means any form of employment, self-employment, apprenticeship, or participation in a statutory or State-sponsored labour market activation programme, that requires attendance or availability either every week or on a frequent and regular basis, including short-term periods of leave from any such work (including, but not limited to, sick leave, annual leave, maternity leave, paternity leave, parental leave, adoptive leave and carer's leave), but excluding career breaks.

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<sup>4</sup> From September 2020 the maximum hours for a standard hours subsidy will increase to 20 hours per week

**“Wrap-around”** refers to childcare that is provided during the hours each day before or after school or a pre-school programme (ECCE or Early Start) and can include weekend hours.

## 2. Eligibility for Subsidies

This chapter explains who is eligible for subsidies. Section 2.1 sets out the basic eligibility requirements for applicants. Section 2.2 introduces the two types of subsidy: universal and income-related.

### 2.1 Basic eligibility requirements

An applicant's eligibility to apply for a subsidy depends on:

- their relationship to the child,
- their residency status,
- their possession of a PPS number, and
- the age of the child.

Each of these criteria is explained in detail below.

#### 2.1.1 Relationship to child

An applicant is only eligible to apply for a subsidy if either the applicant or the applicant's current partner is a parent of the child or is acting *in loco parentis* to the child. A legal guardian is regarded as acting *in loco parentis*, as is somebody who has not been appointed a legal guardian but with whom the child lives and who has on-going care of the child. A relative or person who is only assisting with childcare, and has not taken on full rights and responsibilities in relation to the child, is not considered to be acting *in loco parentis*.

*Examples: A foster carer who has temporary care of a child may be eligible for a subsidy. Similarly, a relative who has been providing for a child's day-to-day care for less than 12 months, and who therefore is not yet eligible to apply for guardianship, may also be eligible for a subsidy if they are acting in loco parentis.*

In addition, only those parents who have custody or the day-to-day care of a child are eligible to apply for a subsidy. Where there is a shared parenting arrangement, an applicant is only eligible for a subsidy for those hours each week during which the applicant has custody or day-to-day care of the child.

Parents who are separated and share custody of the child may make separate applications for subsidies in relation to the hours for which each of them has custody of the child. Similarly, where a parent shares custody with a grandparent or other relative acting *in loco parentis*, two separate applications may be made. In all such cases, each parent (or person acting *in loco parentis*) is only eligible for a subsidy for the hours each week that the person has custody of the child.

When separated parents make separate applications for subsidies, the hours of childcare claimed at registration by each parent must not overlap, and the combined hours of subsidy of the two parents cannot exceed the limits specified under the Scheme in respect of a child. The combined hours will be checked automatically when the childcare service provider(s) registers the hours agreed with the second parent in relation to the child (see section 7.4 for more details). Please see chapter 14 for more information on situations where one parent is availing of a sponsorship arrangement.

### **2.1.2 Residence and status**

To be eligible to apply for a subsidy, either the applicant or the applicant's partner must be one of the following:

- ordinarily resident in the State (this means that you have been living in the State for at least a year or that you intend to live here for at least a year and in either case have a right to reside in the State);
- an applicant within the meaning of section 2 of the International Protection Act 2015, i.e. an asylum seeker who has a valid temporary residence certificate issued by the Minister for Justice;
- a Programme Refugee within the meaning of section 59 of the International Protection Act 2015;
- a national of a Member State of the European Union, of the Swiss Confederation, or of a State which is a contracting party to the EEA Agreement (Iceland, Liechtenstein and Norway);
- formerly employed or self-employed in the State, provided that the formerly employed or self-employed person continues to be covered against one of the contingencies listed in Article 3 of Regulation 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems, whether by means of a statutory entitlement under the Social Welfare Consolidation Act 2005 or through a voluntary contract of insurance.

These criteria will be reflected by means of the following questions on the application form:

### Are you or is your partner (if you are living with a partner)

1. Ordinarily Resident in the Republic of Ireland with a legal right to live here: \* 
2. A National of an EU member state: \* 
3. A National of Switzerland, Iceland, Norway or Liechtenstein: \* 
4. An Asylum Seeker or Programme Refugee: \* 
5. Formerly employed or self-employed in the Republic of Ireland AND still entitled to one of the following social security payments: \* 
  - Illness Benefit
  - Maternity Benefit
  - Invalidity Pension
  - State Pension (Contributory)
  - Widow's, Widower's or Surviving Civil Partner's (Contributory) Pension
  - Guardian's Payment (Contributory)
  - Jobseeker's Benefit
  - Treatment Benefit
  - Carer's Benefit

### 2.1.3 PPS number

To be eligible to apply for a subsidy, the applicant must supply his or her own PPS number as well as the PPS number of the child or children to whom the application relates.

In addition, to be eligible to apply for an *income-related subsidy*, the applicant must supply the PPS numbers of:

- his or her partner (where applicable), and
- any children under the age of 15 who (a) reside with the applicant (or his or her partner) *and* (b) in relation to whom the applicant (or his or her partner) is a parent or is *in loco parentis* (even if the children do not use childcare<sup>5</sup>).

If an adult or child does not have a PPS number and wishes to apply for a subsidy under the Scheme, they may apply for a PPS number to the Department of Employment Affairs and Social Protection on the basis that they need a PPS number for their application.

For universal subsidy applicants, PPS numbers and dates of birth will be used to confirm identity and verify the child's age. For income-related subsidy applicants, PPS numbers will also

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<sup>5</sup> Information on other children in the family group is sought as higher subsidy-rates may be awarded to families with more than one child under 15 years. See section 4 on the Multiple Child Discount.

be used to gather data from the Revenue Commissioners and the Department of Employment Affairs and Social Protection as part of the assessment and verification of income.

#### 2.1.4 Age of the child

To benefit from a subsidy under the Scheme, a child must be at least 24 weeks old. A parent may apply for a subsidy in advance of the child reaching 24 weeks, but the subsidy will only be paid from the minimum age of 24 weeks.

The upper age-limit for a universal subsidy is 36 months (or until the child qualifies for the Early Childhood Care and Education programme if later).

The upper age-limit for an income-related subsidy is 15 years. An application for an income-related subsidy may be made in respect of a child who is within 12 months of their 15<sup>th</sup> birthday, but the subsidy will only be payable up to the child's 15<sup>th</sup> birthday. No subsidy will be payable for a child after their 15<sup>th</sup> birthday.

## 2.2 Types of subsidies

The National Childcare Scheme offers two types of subsidies:

### Universal subsidy

The universal subsidy is set at a rate of €0.50 per hour and is available for up to 40 hours per week for a child aged between 24 weeks and 36 months (or until the child qualifies for the Early Childhood Care and Education programme if later).<sup>6</sup>

The universal subsidy is based on the child's age, and not on income. Parents do not have to undergo an assessment of income to avail of this subsidy.

### Income-related subsidy

The income-related subsidy is available for children aged between 24 weeks and 15 years, and provides a higher rate of subsidy than the universal subsidy for an applicant with reckonable income below €60,000. The level of subsidy depends on (i) the child's age and education stage and (ii) "reckonable income". See Chapter 4 for further detail on the process for assessing income.

Where both the applicant and the applicant's partner (where applicable) are engaged in work or study, or meet certain other enhanced hours criteria, an "enhanced hours subsidy" of up to 40 hours per week may be awarded. Where the applicant and their partner are not engaged in work or study (and do not qualify under other enhanced hours criteria), a "standard hours subsidy" of up to 15 hours per week may be awarded<sup>7</sup>. See section 5.2 for further information.

<sup>6</sup> From September 2020, the maximum hours for a universal subsidy will increase to 45 hours per week, while the maximum hours for a standard hours subsidy will increase to 20 hours per week.

<sup>7</sup> From September 2020, the maximum hours for an enhanced hours subsidy will increase to 45 hours per week, while the maximum hours for a standard hours subsidy will increase to 20 hours per week.

For a child who is older than 36 months and who qualifies for the ECCE programme or is at school, **an applicant may only apply** for an income-related subsidy.

For a child who is younger than 36 months (or below the qualifying age for the ECCE programme if later), **an applicant may apply for either type of subsidy**. If the applicant chooses to apply for an income-related subsidy, their income will be assessed. If an applicant chooses to apply for a universal subsidy, their income will not be assessed.

Both the universal and the income-related subsidy are available on a **wrap-around** basis, i.e. they allow for subsidisation of childcare before pre-school/school begins or after pre-school/school ends each day. For a child who is in school or who qualifies for the ECCE programme, they qualify for the maximum hours of subsidy outside term-time, and for the maximum hours less the time spent in school or pre-school during term-time.

***Example:** if an applicant qualifies for an “enhanced hours subsidy” for a child who is taking part in the ECCE programme, then – outside of term-times- when the ECCE programme is not provided, the child will benefit from up to 40 hours of subsidised childcare each week under the National Childcare Scheme. During term-times – the child will benefit each week from 15 hours of the free ECCE programme and up to 25 hours of childcare subsidised under the National Childcare Scheme, making 40 hours in total each week.*

*From September 2020, the maximum hours subsidised under an “enhanced hours subsidy” will increase to 45 hours. For a child taking part in the ECCE programme, this will mean that during term-times- the child will benefit each week from 15 hours of the free ECCE programme and up to 30 hours of childcare subsidised under the National Childcare Scheme, making 45 hours in total each week.*

## 3. Applying for the Scheme

This chapter relates to applying for the Scheme. Section 3.1 describes the application process. Section 3.2 outlines the information required of *all* applicants, whether they are applying for a universal or an income-related subsidy. Section 3.3 describes the additional information required of applicants who choose to apply for an income-related subsidy. The Scheme Administrator may seek supplementary information to support and/or verify an application and this is set out in section 3.4.

### 3.1 Process of applying

A parent will apply for a subsidy via the Parent Portal which is available on the Scheme's website ([www.ncs.gov.ie](http://www.ncs.gov.ie)). When a parent applies via the Parent Portal, their identity is verified through MyGovID.

It is also possible for a parent to apply by post via a paper-based application. In this case, their identity is verified by submitting a copy of their passport, Irish or UK driver's licence, National Identity Card for EU/EEA/Swiss citizens, Irish Certificate of Naturalisation, Irish travel document or Public Services Card (documents must be valid). A referral may also be made on behalf of a parent by a statutory sponsor body (see Chapter 14).

On the Parent Portal, the applicant can create a single application (universal or income-related) for their family group, i.e. they can apply for either an income related or universal subsidy for all of their children from within a single application, rather than having to submit the same information multiple times.

Where an applicant has received an award for a universal subsidy in respect of a child and wishes to be assessed for an income-related subsidy for that child (or vice versa), they may cancel the existing universal award and apply for the income-related subsidy. See section 11.2 for further information on switching between awards.

#### Applying in 2019!

Applicants to the Scheme in 2019 must apply online via the Parent Portal. From end January 2020 on, people can apply either online or by post.

## 3.2 Information required of all applicants

At the application stage, applicants are asked whether they are applying for<sup>8</sup>:

- (a) a universal subsidy,
- (b) an income-related subsidy, or
- (c) a subsidy supported by a statutory sponsor body.

All applicants are required to provide the information listed below. Additional information is required of applicants for income-related subsidies, as set out in section 3.3.

The information required in all applications is:

- 1) The names, PPS numbers and dates of birth of the applicant and of any child for whom the applicant is applying for a subsidy.
- 2) Contact information for the applicant (address, email, and phone number).
- 3) The stage of education of the child for whom the application is being made. (This is required in cases where the child is eligible for Early Start or school. If the child is eligible for ECCE, the education stage is assigned by the system.)
- 4) Confirmation that the applicant will abide by the terms and conditions of the Scheme, including that they will only seek subsidised childcare for hours in any week during which the applicant has custody of the child.<sup>9</sup>

An applicant will also be provided with a privacy statement, which will explain how their data will be processed. This must be accepted before the application can proceed.

When an applicant applies through the Parent Portal and verifies their identity using MyGovID, the applicant will need to supply less information as MyGovID automatically provides the name, PPS number and date of birth of the applicant.

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<sup>8</sup> If a child is the subject of a sponsored referral by a relevant body, the applicant will select the option that they are submitting a sponsored referral (see Chapter 14).

<sup>9</sup> Where parents are separated and share custody of a child, both parents may apply for subsidies in relation to the child. Each parent is only eligible for a subsidy for hours during which that parent has custody of the child. Details on the registration process in such situations can be found in section 7.4.

### 3.3 Additional information required for income-related subsidies

The following additional information is required for income-related applications:

- 1) The name, PPS number and date of birth of the applicant's partner, if applicable.
- 2) The names, PPS numbers and dates of birth of all children who (a) are less than 15 years old, (b) reside with the applicant or the applicant's partner, and (c) are children in relation to whom either the applicant or the applicant's partner is a parent or is *in loco parentis*. This information is required in order to assess whether the applicant is eligible for a 'multiple child discount' from their income (see section 4.9). Any child under 15 who lives with the applicant or the applicant's partner may be included, provided either the applicant or the applicant's partner has custody of the child (or is *in loco parentis* to the child) for at least part of each week.
- 3) A declaration by the applicant as to whether the applicant and the applicant's partner, where applicable, are engaged in work or study, as well as the name and contact details of their employer or education/ training provider. (See section 5.2.3 for definitions of work and study and full details on the criteria for Enhanced Hours).
- 4) A declaration by the applicant that he or she either:
  - a) wishes income to be assessed automatically on the basis of information provided by the Revenue Commissioners and the Department of Employment Affairs and Social Protection; or
  - b) wishes to supply income information supported by documentary evidence.
- 5) Self-declaration of certain income information by the applicant/applicant's partner. While documentary evidence on these income-sources does not have to be supplied as part of the application, it must be retained by the applicant and provided if requested by the Scheme Administrator for verification purposes. The following income information is relevant here:
  - a) income submitted on Revenue Form 12, if the applicant or the applicant's partner has submitted a Form 12;
  - b) foreign income;
  - c) private pension contributions which are not paid through an employer (deductible from income);
  - d) maintenance paid (deductible from income); and
  - e) maintenance received (counts as part of income).

If the applicant chooses to supply income information (as per 4(b) above), they are required to provide a full account of income (equivalent to the income-information that would be supplied by the Revenue Commissioners and the Department of Employment Affairs and Social Protection), and are also asked for documentary evidence, e.g. current pay-slips. Section 4.8 provides further detail on these requirements.

In all cases, applicants for income-related subsidies will be provided with a privacy notice. This notice will advise the applicant that their PPS number (and their partner's PPS number if applicable) will be shared with the Revenue Commissioners and the Department of Employment Affairs and Social Protection, for the purpose of gathering income information for the income assessment, or to verify income information provided manually.

A privacy notice will also be sent to the partner of the applicant, where applicable. This will directly advise the partner of the planned processing of their data and of their rights in this regard. In particular, it will advise them of their right to object or opt-out and offer them this opportunity. An application will not be processed for 7 days from the date of this notice in order to allow the partner an opportunity to object or opt-out. However, at any point during the 7 days, the partner will be able to confirm that they wish to proceed and this will allow the application to immediately progress. If the partner has not raised an objection within the 7 day period, then processing of the application will also proceed. This 'processing pause' will not apply to applications where the applicant indicates that they don't have a partner.

### **3.4 Request for further information**

If an application is incomplete, or if income-information received from Revenue or the Department of Employment Affairs and Social Protection is incomplete, the Scheme Administrator may request supplementary information from the applicant. If the applicant does not supply all necessary information, an application may be refused<sup>10</sup>.

Finally, to support subsequent verification checks in relation to enhanced hours criteria, the applicant is required to agree to the Scheme Administrator contacting the employer or education or training provider to verify their work/study status. See Chapter 15 for further information on verification and recovery of overpayments.

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<sup>10</sup> A subsidy is only payable after approval of the registered childcare hours.

## 4. Assessment of Income

This chapter concerns the assessment of income under the National Childcare Scheme. Section 4.1 summarises the role of income assessment within the Scheme. Section 4.2 clarifies the persons who are subject to the income assessment, and explains the Scheme's provisions in relation to separated parents who wish to make separate applications in respect of the same child. Section 4.3 describes the applicant's right to choose an automated or manual income assessment, as well as the circumstances in which a person will have to be manually assessed. Section 4.4 explains the year on which the assessment of income will be based, while section 4.5 sets out the requirements which apply in the case of income assessment based on the current year. Section 4.6 concerns the collection of income data, while section 4.7 describes the types of income included. Section 4.8 lists deductions from income and section 4.9 outlines the multiple child discount. Section 4.10 details the frequency of income assessments, while section 4.11 sets out requirements in relation to changes in income.

### 4.1 Role of income assessment within the Scheme

Parents who choose to apply for an income-related subsidy will undergo an income-assessment.

The calculation of **reckonable income** is the first step in assessing the level of income-related subsidy for which the parent may qualify. This is the combined income of the applicant and their partner (or sole income in the case of a one parent family) less income tax, PRSI, USC, certain allowable deductions<sup>11</sup> and less any multiple child discount if applicable.

The applicant's reckonable income, along with the age and education stage of the child, will determine the hourly subsidy rate to be applied (see chapter 5).

### 4.2 Persons assessed

The income of the applicant and the applicant's partner (spouse, civil partner, or cohabitant) is assessed. A partner's income is assessed even if the partner is temporarily living apart from the applicant (e.g., for work or study reasons). The income of the applicant's partner is also assessed even if the partner is not a parent or guardian of the child.

If the applicant lives in a household with another adult who is not their partner, for example a parent of the applicant or an adult child of the applicant, the income of these other adults is not assessed.

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<sup>11</sup> The combined income of the applicant and their partner (or sole income in the case of a one parent family) less income tax, PRSI, USC, certain allowable deductions is also known as net income. To arrive at reckonable income the multiple child discount is deducted from the net income figure.

For separated parents making parallel applications for income-related subsidies for the same child, the income of each parent (combined with the income of any current partner each parent may have) will be assessed separately.

### 4.3 Automated versus manual income assessment

With the applicant's agreement, the income assessment can be carried out **automatically**, primarily using income information that is obtained from the Revenue Commissioners and the Department of Employment Affairs and Social Protection (DEASP). This information will be provided on the basis of the PPS numbers of the applicant and his or her partner, and will be supplemented by some income-information that will be self-declared by the applicant (and subject to sample verification checks).

However, income must be assessed manually if the Revenue and DEASP data-feeds provide **insufficient information** for the purposes of calculating income. In such cases, some data may be obtained through automated data-feeds; however, an applicant will be required to make a declaration of other elements of their income and provide supporting documentary evidence<sup>12</sup>.

In addition, an applicant **may request** that their income be assessed manually. This means that it will be examined by an officer of the Scheme Administrator and based on information declared by the applicant (rather than supplied through the automated data-feeds<sup>13</sup>).

In the case of manual income assessment, an applicant will be required to make a declaration of their income and to provide the supporting documentary evidence ("income proofs") listed in appendix 2. Documentary evidence will not be required in the case of self-declared income, i.e. income which would be self-declared under an automated income assessment. Furthermore, some income may still be obtained through automated data-feeds, where this is feasible and reflects the preference of the applicant.

### 4.4 Year assessed

In general, the income assessment will relate to a previous tax year, although a person will have a right to seek a manual income assessment based on either the previous year (Y-1) or the current year.

In relation to **automated income-assessments**, income will be assessed based on the most recent year for which income-data is available from Revenue, subject to this being within the previous two tax years. However, the automated income assessment can be based on the current year where both the applicant and the applicant's partner declare that *all* their income is received through DEASP or is self-declared on the application form.

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<sup>12</sup> For consistency and equity, supporting documentary evidence is not required for income elements which are self declared and subject to verification checks in the automated assessment process.

<sup>13</sup> Where possible, the Scheme Administrator will verify the information provided by the applicant by reference to information provided through the automated data feeds.

The tax-year for which income is assessed **may differ between partners**, depending on whether either partner is required to submit a Form 11 or Form 12 to Revenue and whether their tax is treated separately or jointly. In all cases where a couple are jointly or separately assessed for tax purposes, they will be assessed on the same tax year<sup>14</sup>. If an applicant and their partner are (a) unmarried, (b) not civil partners, (c) separately treated, or (d) were jointly assessed or separately assessed with someone not listed on the application form, then they may be assessed on separate years.

## 4.5 Current year assessments

As noted in section 4.4 above, a person can seek an income assessment based on their income in the current year. Current year assessments can take one of two forms as follows:

### 1. Year-to-date Assessment

Application Criteria: An applicant will be entitled to apply for a “year-to-date” assessment from March 1<sup>st</sup> in all circumstances.

Income Assessment rules: The income earned in the current year will be extrapolated out to a full year<sup>15</sup>. All income in a year-to-date assessment will be from the current year. All applicants assessed on a year-to-date assessment will receive a 12 month award.

### 2. Sudden Change Assessment:

Application criteria: An applicant will be eligible to apply for a sudden change assessment where they declare that they have had an ongoing change in their income. This applies to people who have lost a job or had a reduction in their income for an indefinite duration. It does not apply to somebody who is on term-time, shorter working year etc.

A sudden change assessment is also available to applicants who apply in January or February and who have not had an ongoing change in income but wish to have their income assessed based on the current year.

Income Assessment: The assessment is based on the four weeks prior to application extrapolated out to a full year. Income in a sudden change assessment can straddle two years, i.e. an applicant can apply in the first week of January and be assessed on three weeks from December and one in January. All applicants assessed on a sudden change assessment will receive a 6 month award.

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<sup>14</sup> This is necessary as it will not be possible to understand the allocation of tax credits across years and, as such, inequities could arise vis-à-vis the assessment of other applicants.

<sup>15</sup> For example, if in week 26, the income will be divided by 26 and multiplied by 52 to see an average income over 52 weeks.

## 4.6 Collection of income data

For automated income assessments, most information is provided on an automated basis by Revenue and DEASP, on the basis of PPS numbers submitted by applicants.

In addition, a small number of questions on the application form will allow applicants to self-declare income information. These additional questions will cover the following issues:

- Income which is required to be submitted on Form 12
- Maintenance paid (which is deductible from income)
- Maintenance received (which counts as part of income)
- Foreign income
- Pension contributions that are not (a) paid through an employer or (b) declared on a Form 11 or Form 12. (these may be deductible from income)

Where an applicant seeks a manual assessment, income information, which would normally be obtained via the automated data-feeds, is instead declared manually. In this instance, the applicant will have to support the declaration by means of the documentary evidence listed at appendix 2.

## 4.7 Types of income included

Income from the following sources will be taken into account when assessing income:

- Income from an employment, trade, profession or vocation
- Rental income
- Income from holding of an office or directorship
- Income from a pension (whether under the social welfare code or otherwise)
- Social welfare payments, including child benefit, subject to certain exclusions (see below)
- Income from fees, commissions, dividends, interest, or income of a similar character
- Payments under a settlement, covenant or estate<sup>16</sup>
- Maintenance payments received (both spousal maintenance and child maintenance)
- Other forms of benefit as may be prescribed in regulations under the Scheme.

Income includes benefits-in-kind where these are treated as income by Revenue and are therefore subject to taxation.<sup>17</sup>

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<sup>16</sup> These are on-going payments, e.g. interest payments arising from an estate, rather than capital gains or capital acquisitions (gifts / inheritance).

Income includes both income arising in the State and income from outside the State.

**Capital** (e.g. property, savings, investments) is not included in the assessment, nor are capital gains or capital acquisitions (gifts and inheritances), as the income assessment is based on income rather than assets. However, income deriving from capital is included, e.g. rental income, interest from savings, and dividends from shares.

**Rental income** is included on the same basis that Revenue assesses rental income for the purpose of tax, i.e. rental income is included within the income-assessment subject to deductibility of certain expenses.<sup>18</sup> Repayment of the capital on a loan for the property cannot be deducted from rental income for income-tax purposes and, therefore, will not be deductible from income for the purpose of the National Childcare Scheme income-assessment.

**Lump-sum / non-recurring payments** (e.g. redundancy payments, overtime) are counted in full as income in the year in which they are received, rather than being spread across years.

## 4.8 Deductions from income

When assessing income, the following deductions may be made from gross income to arrive at a measure of net income:

- a) **Income tax paid** (excluding income tax on which a person is entitled to claim an exemption, relief or allowance or repayment of tax already paid)
- b) **PRSI**
- c) **USC**
- d) **Pension contributions**, to the limit allowed by the Revenue Commissioners for deductions from tax. (This includes the Public Service Pension Related Deduction as it is regarded as a form of pension contribution.)
- e) **Maintenance payments** that are made by the person whose income is being assessed. This deduction is allowable on the grounds that these are, in effect, a transfer from the applicant's family to another family, and should therefore count towards the reckonable income of the second family, rather than the applicant's family. In general, maintenance payments will be self-declared (though Revenue receives some data, which may be used as a validation check). The basis of assessing deductibility may be a sworn affidavit or other documentary evidence as outlined in the Directory of Income Proofs (See Appendix 2).

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<sup>17</sup> Income foregone through a salary sacrifice arrangement that is approved by Revenue and specified within Section 118B of the Taxes Consolidation Act 1997 (e.g. 'taxsaver' travel passes and the Cycle to Work Scheme) is treated as a benefit rather than income, but these benefits are not prescribed under the Scheme's Regulations. They are, therefore, not counted as income for the purpose of the Scheme.

<sup>18</sup> Deductible expenses are: interest on loans for the property (85% for 2018 interest; 75% for earlier years); local authority rates; ground rent; utilities such as gas, electricity, telephone rental that are not paid by the tenant; maintenance of the property; insurance; mortgage protection; management, legal and accountancy fees; repairs; and 12.5% allowance (for 8 years) for wear and tear on furnishings.

f) **Specific social welfare and related payments** are deductible from income where these:

- Facilitate the participation of a person in employment or self-employment and are intended to be of limited duration,
- Are intended to support the participation of a person in education or training, or
- Are intended to enable a person to meet certain expenses that arise as a result of exceptional family or social circumstances of the person.

Relevant payments are specified in Regulations made under the Act (see below).

List of deductible payments	
Aftercare Allowance	Further Education and Training (FET) training allowance
Back to Education Allowance	Guardian's Payment
Back to School Clothing and Footwear Allowance	Humanitarian Assistance Scheme payment
Back to Work Enterprise Allowance	Mobility Allowance payment
Back to Work Family Dividend	Foster Care Allowance
Blind Welfare Allowance	Personal Reader Grant
Caranua payment	Rent Supplement
Carer's Support Grant	Short-Term Enterprise Allowance
Constant Attendance Allowance	Springboard+ eligible payments
Department of Education and Skills Third Level Bursary Scheme payment	Student Assistance Fund payment
Diet Supplement payment	Student grant (SUSI)
Domiciliary Care Allowance	Vocational Training Opportunities Scheme (VTOS) training allowance
Exceptional Needs Payments	Youthreach allowances

## 4.9 Multiple child discount

Having calculated net income, the Scheme then applies a multiple child discount to arrive at **reckonable income**. Families with more than one child under 15 years will benefit from the "multiple child discount".

Following the income assessment, the "multiple child discount" will be applied to an applicant's net income (or where the applicant is a member of a couple, the couple's combined net income) to arrive at the measure of reckonable income:

- Families with two children aged less than 15 will have their income reduced by €4,300.

- Families with three or more children aged less than 15 will have their income reduced by 2 x €4,300, i.e. a total discount of €8,600.

Children who will count for the purpose of the multiple child discount are *all* children under the age of 15 years who reside with the applicant or the applicant's partner and to whom the applicant or the applicant's partner is a parent or is *in loco parentis*. In other words, the multiple child discount takes account of all relevant children and not just those for whom a subsidy is sought. The multiple child discount is calculated at the time of assessment and remains for the period of the award to which the assessment relates.

In the case of separated parents, a multiple child discount relating to a child can be applied to both family groups, provided the child resides with each parent for part of the week.<sup>19</sup>

## 4.10 Frequency of income-assessments

After the income-assessment is undertaken and the subsidy rate calculated, the income assessment underpinning this rate remains valid until the application renewal date. When the renewal date is reached, income will be reassessed (if an applicant wishes to remain on the Scheme).

In general, the application renewal date will be 12 months from the date on which the subsidy-rate is notified to the applicant. However, there are three situations in which a 6-month renewal date will be set:

1. Applicants whose assessed income relates to two years previously.
2. Applicants whose assessed income is based on a manual income assessment for the previous year, where insufficient income information for the purposes of calculating income has been received through the data feeds.
3. Applicants whose assessed income is based on a sudden change. (It is expected that applicants assessed on the basis of a sudden change will most likely be assessed on the basis of a year-to-date assessment at renewal stage.)

In general, an applicant will receive a 6-month award only once at most, as the initial 6-month award will ensure that, thereafter, the applicant's renewal date will be at a time that allows a 12-month award every year.

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<sup>19</sup> In principle, it might be regarded as more equitable if a single Multiple Child Discount were shared between the two family groups. However, at the time a person applies for an NCS subsidy, the Scheme Administrator may know nothing about a separated parent of the child, and even if another parent has already made an application for that child that other parent may not yet have started using the NCS award. To ensure that subsidy-rates are awarded solely on the basis of information relating to the applicant, the Multiple Child Discount will be awarded in full even in cases where care of a child is shared between separated parents.

## 4.11 Changes in income

Following the award of a subsidy, applicants **will not be required** to inform the Scheme Administrator of a change in their income, though they will be allowed to do so. New income assessments will only be carried out at the request of the applicant.

## 5. Determination of Subsidy Award

This chapter concerns the determination of the subsidy award. Section 5.1 sets out how the rate per hour is calculated, while section 5.2 describes how the number of hours is determined. Section 5.3 deals with the notification of the award. Section 5.4 concerns the duration of the award, while section 5.5 deals with reassessment and new awards.

### 5.1 Subsidy rate per hour

#### Universal subsidy

The universal subsidy is payable at a rate of €0.50 per hour.

#### Income-related subsidy

The rate for income-related subsidies depends on the applicant's reckonable income. The table below shows the maximum and minimum income-related subsidy rates per hour, which vary according to the child's age and the child's education stage.

Child's age	Minimum subsidy per hour (NS)	Maximum subsidy per hour (XS)
Less than 12 months old	€0.50	€5.10
12 to 35 months old	€0.50	€4.35
3 years old or older and <b>not yet qualifying</b> for ECCE	€0.50	€3.95
3 years old or older and <b>qualifying</b> for ECCE	€0.00	€3.95
At school (or older than 6 years of age and less than 15 years of age)	€0.00	€3.75

- Income below €26,000

Applicants with reckonable income (inclusive of any partner's income) at or below €26,000 per annum qualify for the maximum hourly rate of subsidy towards childcare costs (column XS in the table).

- **Income between €26,000 and €60,000**  
For applicants with reckonable income (inclusive of any partner's income) between €26,000 and €60,000 per annum, the subsidy rate tapers downward as reckonable income rises, declining evenly from the maximum subsidy rate (column XS in the table) to the minimum subsidy rate (column NS in the table). €60,000 is the maximum income threshold for the income-related subsidy. The following formula is used to determine the rate of subsidy:

$$\text{Rate per hour} = NS + \left( \frac{(XS - NS)(MT - RI)}{(MT - BT)} \right)$$

*NS = the minimum subsidy rate (either €0.50 or €0 – see table),*

*XS = the maximum subsidy rate (which varies by age and education stage – see table),*

*MT = the maximum income threshold (€60,000),*

*BT = the base income threshold (€26,000), and*

*RI = the reckonable income.*

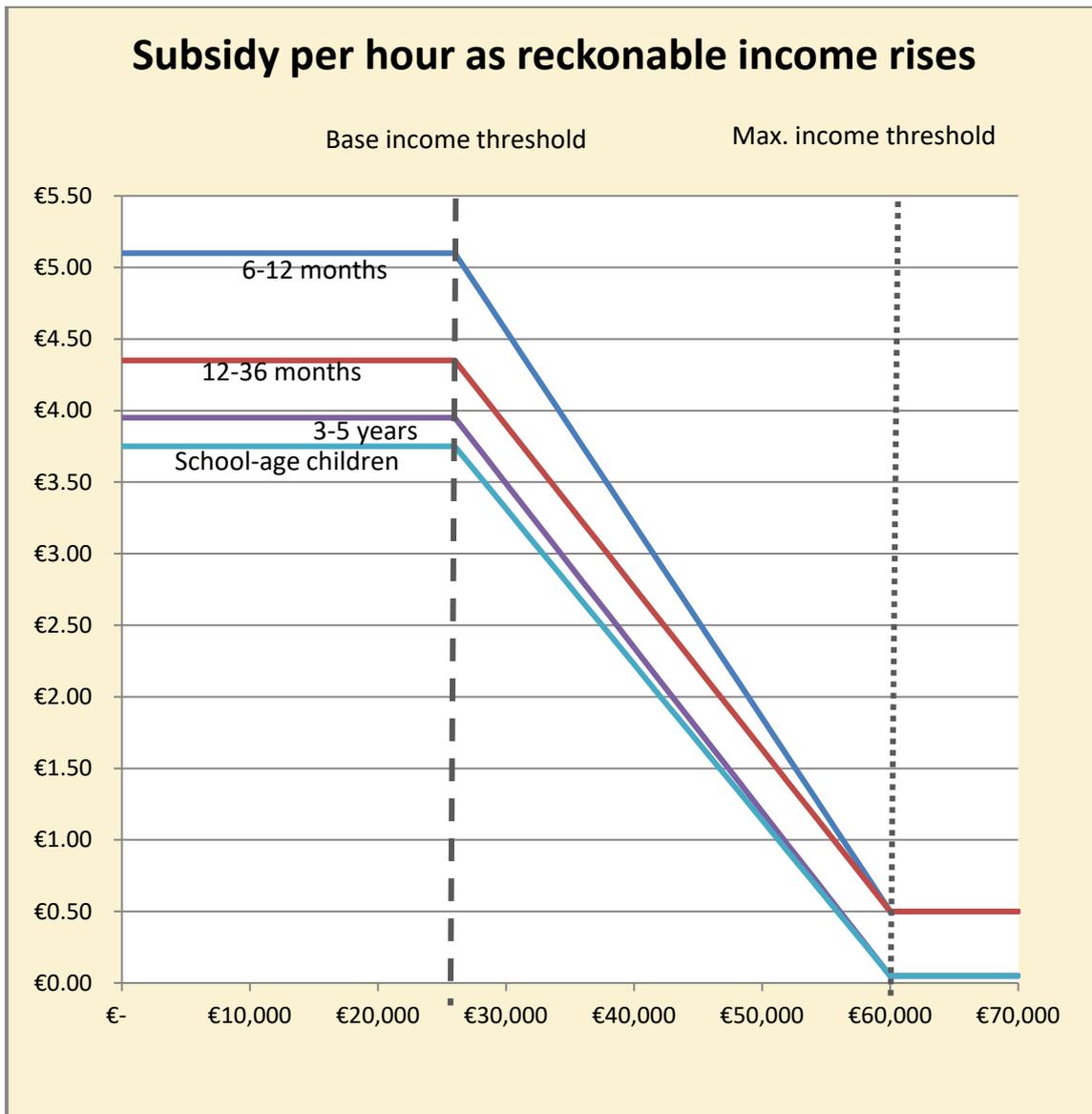
All applicants with reckonable income below €60,000 per annum will qualify for a subsidy.

Where children are under 3 years (or over 3 years but not yet qualifying for ECCE), a minimum subsidy of €0.50 applies. For other children whose parents qualify for an income-related subsidy, a minimum subsidy of €0.33 per hour will apply. This means that where, based on reckonable income, the applicant qualifies for a subsidy rate between €0.01 and €0.32 per hour, their subsidy award will be automatically set to a rate of €0.33 per hour. This equates to a minimum weekly subsidy of €4.95 (for 15 hours) or €13.20 (for 40 hours), ensuring that the subsidy value is meaningful for the parent and provider<sup>20</sup>.

- **Income above €60,000**  
If reckonable income is greater than €60,000 per annum, then the applicant does not qualify for an income-related subsidy. However, the applicant qualifies for the universal subsidy if the child meets the age requirements. In other words, where parents qualify for the universal subsidy, the subsidy rate does not reach zero when reckonable income is greater than the maximum income threshold. Rather, the subsidy rate is then equal to the universal subsidy of €0.50 per hour. The figure below shows all subsidies – both universal and income-related - for all ages.

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<sup>20</sup> From September 2020, the maximum hours for an income-related subsidy will increase to 45 hours per week, while the maximum hours for a standard hours subsidy will increase to 20 hours per week.



## 5.2 Number of hours of subsidy per week

### 5.2.1 Universal subsidy

Any applicant whose child qualifies for a universal subsidy is awarded that subsidy for each hour of childcare registered up to a maximum of 40 hours per week<sup>21</sup>.

However, if an applicant's child also qualifies to participate in the ECCE programme, then the universal subsidy is awarded for up to a maximum of 25 hours per week during ECCE term-times and up to 40 hours per week outside ECCE term-times, i.e. the universal subsidy "wraps around" the hours of ECCE each week up until the child reaches 3 years of age.

<sup>21</sup> From September 2020, the maximum hours for a universal subsidy will increase to 45 hours per week.

ECCE term-times last for 38 weeks per year (September – June) and childcare service providers have some flexibility as to which weeks are term-time weeks. When registering the child and entering claim details the provider will also input the non-term time weeks. Non-term weeks for an individual child can be added when registering the child or can be added at a later date.

### 5.2.2 Income-related subsidy

If an applicant qualifies for an income-related subsidy, the applicant is awarded either an enhanced-hours subsidy or a standard-hours subsidy. An **enhanced-hours subsidy** is up to a maximum of **40 hours per week**, whereas a **standard-hours subsidy** is up to a maximum of **15 hours per week**<sup>22</sup>.

For both enhanced-hours and standard-hours subsidies, the number of hours of subsidy available each week depends on the education stage of the child, as both enhanced-hours subsidies and standard-hours subsidies are available on a “wrap-around” basis, wrapping around the hours of school or pre-school (ECCE and Early Start) during term-times.

Section 5.2.3 sets out the criteria for determining whether an applicant qualifies for enhanced hours.

#### Enhanced hours

If the applicant qualifies for an income-related subsidy for enhanced hours, the maximum subsidised hours per week during term-time and outside term-time are set out in the table below:

Age/Education stage of child	Maximum hours per week of subsidy during term-time	Number of weeks of term-time per year	Maximum hours per week of subsidy during non- term-time
Prior to qualification for ECCE	40	N/A	40 hours
Qualifying for ECCE and not yet in school	25 hours <sup>23</sup>	38 weeks <sup>24</sup>	40 hours
Junior or senior infant classes within primary schools	17 hours	36 weeks	40 hours
First to sixth class in	12 hours	36 weeks	40 hours

<sup>22</sup> From September 2020, the maximum hours for an income-related subsidy will increase to 45 hours per week, while the maximum hours for a standard hours subsidy will increase to 20 hours per week.

<sup>23</sup> In the case of a child in Early Start the maximum hours per week of subsidy during term time will be 28 hours and the number of term time weeks is 36 weeks.

<sup>24</sup> Some services operate on a 41 week basis.

primary schools			
Post-primary schools	10 hours	33 weeks	40 hours

### Standard hours

If the applicant qualifies for an income-related subsidy for standard hours, the maximum subsidised hours per week during term-time and outside term-time are as in the table below:

Age/Education stage of child	Maximum hours per week of subsidy during term-time	Number of weeks of term-time per year	Maximum hours per week of subsidy outside term-time
Prior to qualification for ECCE	15	N/A	15 hours
Qualifying for ECCE and not yet in school	0 hours	38 weeks	15 hours
Junior or senior infant classes within primary schools	0 hours	36 weeks	15 hours
First to sixth class in primary schools	0 hours	36 weeks	15 hours
Post-primary schools	0 hours	33 weeks	15 hours

### Minimum Hours and Unsubsidised Hours

There is no minimum amount of childcare a parent can seek, subject to agreement between the parent and the childcare service provider. However, subsidies are only available on a whole-hour basis. See section 8.3.2 for more information on recording of part hours.

Subsidies are awarded for a maximum number of hours per week. A parent and provider can arrange additional hours of childcare over and above this maximum number of subsidised hours but the Scheme will not pay any further subsidies in respect of these additional hours.

### 5.2.3 Criteria for enhanced hours

As part of the application process, the applicant will make a declaration on behalf of themselves and their partner in relation to the criteria to qualify for enhanced hours. In order to qualify for enhanced hours **both** the applicant **and** the applicant's partner, if applicable, must meet **at least one** of the following criteria:

- a) In work
- b) In study
- c) Transitioning into, or out of, work or study
- d) Unavailable to care for the child

While eligibility for enhanced hours is based on self-declaration, the applicant must be in a position to provide documentary evidence, if requested, in order to satisfy the Scheme Administrator of their eligibility for enhanced hours of childcare.

**a) Work is defined as:**

*“any form of employment, self-employment, apprenticeship, or participation in a statutory or State-sponsored labour market activation programme, that requires attendance or availability either every week or on a frequent and regular basis, including short-term periods of leave from any such work (including, but not limited to, sick leave, annual leave, maternity leave, paternity leave, parental leave, adoptive leave and carer’s leave), but excluding career breaks”.*

The definition of work includes:

- Full and part-time employment, with no minimum number of hours per week. This may also include week on/week off arrangements
- Self-employed
- Labour market activation programmes – Community Employment Schemes, Springboard, Tús
- Apprenticeships
- Internships
- Casual hour, flexible hour and relief contracts (where a parent is required to be available for work on a regular and frequent basis, even if the pattern of actual work is irregular)

Where an applicant or their partner is seeking work, but not currently in any form of work, they will not satisfy the criteria for being in work and therefore are not eligible for enhanced hours on these grounds. However, the applicant or their partner may be eligible for enhanced hours on the basis that they are transitioning into or out of work (see category (c) below).

**Proofs**

The applicant or his or her partner, where applicable, must supply proof of work status on request from the Scheme Administrator.

For PAYE workers, this should take the form of a letter on official letterhead from their employer certifying their work status in order to satisfy the Scheme Administrator that they meet the criteria for work. The Scheme Administrator may also approach the employer directly for confirmation.

In relation to a self-employed person, proof of self-employment may take the following forms:

- a copy of the most recent acknowledgement or notice of self-assessment (as issued by the Office of the Revenue Commissioner),
- a current redacted business invoice from the past month,
- evidence of payment to the applicant of the 'back to work scheme', or
- an end of year statement from Revenue or P60<sup>25</sup> where the self-employed person is an employee of their own company.

**b) Study is defined as:**

*“Any education or training programme that leads to an award on the National Framework of Qualifications and that is accredited by Quality and Qualifications Ireland (QQI), the State Examinations Commission or is listed on the NARIC Ireland Foreign Qualifications Database.”*

This is inclusive of associated exam periods (date of final exam) and dissertation deadline.

**Proofs**

Should the Scheme Administrator request proof in respect of an education or training course, the applicant or his or her partner, where applicable, must supply confirmation from the education or training provider, on the form specified by the Scheme Administrator, certifying the course title and the start and end dates of the course.

The Scheme Administrator may also approach the education or training provider directly for confirmation.

If the applicant is in receipt of one of the following education related payments, this will also constitute proof of education:

- Back to Education Allowance (full time or part time)
- Back to College Initiative – labour market activation fund (finished)
- DES Third Level Bursary Scheme
- Further Education Training and Allowances provided by Training Boards
- Momentum
- Solas (FET) Training Allowance
- Springboard (full time or part time)
- Student Assistance Fund
- SUSI Grant
- VTOS

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<sup>25</sup> In respect of years prior to 2019.

- Youth Reach Allowance

**c) Transitioning into, or out of, work or study:**

The applicant or their partner can qualify for enhanced hours for a period of up to 4 weeks in advance of “work” or “study” starting.

**Proofs**

If requested by the Scheme Administrator, they must supply a letter from their employer with the job offer and the start date in the case of work, and/or a letter from the education or training provider with the course title and start and end dates in the case of study.

The applicant or their partner is also entitled to enhanced hours for a period of up to 4 weeks following the end of a period of work or study. Following this transitional period, they will revert to standard hours unless they meet one of the other criteria for enhanced hours.

**Proofs**

If requested by the Scheme Administrator, the employer or education or training body must supply confirmation of the end date of the employment, education or training.

An applicant may combine both transition periods to bridge between exiting and entering periods of work and study for up to 8 weeks of enhanced hours (e.g. a person finishes study and avails of the 4 week transition period allowed for transitioning out of study and has a job offer which enables them to follow this with the 4 week period permitted for transitioning into work, at which point they will meet the criteria for being in work and will retain the enhanced hours).

Where an application indicates that the basis for awarding enhanced hours is expected to change before the renewal date of the subsidy (i.e. where the applicant is transitioning out of work/ study), the award determination may provide for enhanced hours until the expected change of circumstances and standard hours thereafter.

**d) Unavailable to care for the child is defined to mean where a parent or their partner is:**

- i. In prison custody<sup>26</sup> sentenced to a term of imprisonment for a minimum period of 30 days or where prison custody relates to a remand period of 30 days or more
- ii. In hospital and expected to remain in hospital for a minimum period of 30 days
- iii. Suffering from a significant illness or ongoing disability that prevents them from providing childcare for the child
- iv. Caring for a child of the applicant or their partner where that child is suffering from a significant illness or ongoing disability which prevents the applicant or partner from providing childcare for the child in respect of whom the application if made

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<sup>26</sup> “Habitually living with a partner” includes situations (including imprisonment) where the relationship continues notwithstanding that the couple is temporarily living apart.

### **Proofs**

If requested by the Scheme Administrator, the applicant or his or her partner, where applicable, must supply the following information in relation to the categories above:

i: letter from the Prison Service certifying prison custody start and end date

ii: proof from a registered medical practitioner certifying that the person is under their care in hospital and is expected to remain there for the minimum period

iii: proof from a registered medical practitioner certifying that the person is under their care and by reason of a significant illness or ongoing disability, he or she and is incapable of providing childcare for the child who is the subject of the NCS application

iv: proof from DEASP that a person is in receipt of Carers Allowance, Carers Benefit or Domiciliary Care Allowance in respect of a child in their care, or proof from a registered medical practitioner relating to the condition of the child with the significant illness, their need for ongoing full-time care and their understanding that this is being provided by the applicant

## **5.3 Notification of award (i.e. qualification for a subsidy)**

When the Scheme Administrator has received all relevant information for an application, including any additional information requested, the Scheme Administrator informs the applicant of the following:

- whether the applicant qualifies for the subsidy they applied for, i.e. a universal subsidy or an income-related subsidy,
- the subsidy rate, if any, for which the applicant qualifies (this will relate to term time hours if the child is in school or preschool),
- the number of hours per week of subsidised childcare for which the applicant qualifies,
- any expected changes to the subsidy rate or the number of hours of subsidy (e.g. following the birthday of a child or a change in education stage), and
- the duration of the award and its expiry date (which will be at most 12 months from the date of notification of the subsidy award).

The award notice will also contain a Childcare Identifier Code Key (CHICK) that is unique to that award for a subsidy in respect of that child. The CHICK can be thought of as equivalent to a voucher code which is redeemed when the applicant has chosen their preferred childcare service provider and the latter has registered the child (with the approval of the applicant). A successful applicant can use the CHICK at any time before the expiry date.

If an application is for two or more children, an individual award and CHICK will be issued in respect of each child as different subsidies may apply.

## **5.4 Duration of subsidy award**

In general, the validity of a subsidy award is 12 months but it may vary as determined by the Scheme Administrator.

In particular, a 6-month award is made for income-related subsidies in situations where an income-assessment is only valid for 6 months. See section 4.11 for more detail on such situations.

## 5.5 Reassessment and new subsidy awards

Where an applicant's circumstances change after a subsidy award has been granted, they will be able to notify these changes and have their subsidy adjusted accordingly.

Where applicants notify the Scheme Administrator of a change in circumstances relating to their children or their work/ study status, this will generate a reassessment and a new subsidy award. However, there will be no requirement for a new *income* assessment as part of this overall reassessment<sup>27</sup>.

For example, there will be no requirement that an applicant inform the scheme administrator if the applicant takes up employment (or starts a training course) having previously been unemployed. However, on the basis of their new work/study status, the applicant, depending on the work/study status of their partner (if applicable), will have grounds to seek an increase in their hours of childcare subsidy from standard (max 15) to enhanced (max 40). If they do so, while the hours of subsidy awarded will reflect their new work/study status, there will be no requirement that their income be reassessed (until the renewal date). This is consistent with the approach that would be taken if the applicant instead made a *new* application, i.e. that the income-assessment would be made on income from the *last complete tax year*, while *current work/study status* would determine maximum hours of subsidy. This approach – not requiring an income-reassessment for people taking up employment until their renewal date – has the added benefit of facilitating the transition into employment.

Applicants will be required to inform the Scheme Administrator of a loss of eligibility (e.g. custody, residency) or the loss of employment or exit from an education/training course that impacts on the hours of subsidy to which the applicant is eligible.<sup>28</sup> If hours of subsidy are reduced as a result of loss of employment, there will be no requirement for a new income assessment (until the renewal date), but applicants will be notified that they can seek an income reassessment on the basis of the current (unemployment) income, and they are likely to take up this opportunity given the loss of income on losing employment.

Requirements in relation to notifying changes of circumstances are described in Chapter 11 of these Guidelines.

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<sup>27</sup> Applicants should be aware that any change which results in an overall reassessment could adjust their reckonable income by virtue of changes which affect the multiple child discount. For example, a parent may signal a change in employment which generates a fresh award with enhanced hours. However, if, at the same time, they now have a child who has turned 15 and no longer counts towards the multiple child discount, then this will change the reckonable income on which the award is based.

<sup>28</sup> Section 13 of the Childcare Support Act 2018 allows a temporary (strictly time-limited) transition-period following exit from employment/training during which there will be no change in hours of subsidy. This avoids frequent changes of hours – and disruptive changes in children's childcare arrangements – in cases for example where an applicant loses a job but rapidly finds another job.



## 6. Approved Childcare Service Providers

### 6.1 Approved providers

An approved provider is a childcare service provider that has been approved for participation in the Scheme. In order to be an approved provider, a childcare service provider must meet two conditions:

- It must be registered with Tusla under section 58C of the Child Care Act 1991 to provide early years services at that address.
- There must be a contract in force between the Minister and the childcare service provider in relation to the provision of childcare services under the National Childcare Scheme (see section 6.2).

A list of approved providers is maintained on the National Childcare Scheme website ([www.ncs.gov.ie](http://www.ncs.gov.ie)).

### 6.2 Contract

The contract is for a 12 month period, and is renewable.

In addition to standard contractual conditions, some key elements of the contract are as follows:

#### **Fees**

Childcare service providers must -

- Publish their fees, opening hours and service calendar using a standard template and in the format required by the Scheme Administrator. All of these documents must be published in an area of the service accessible to parents, as well as on any online platform maintained by the provider for the purpose of advertising its services.
- Consent to the submission of their fees list to the Scheme Administrator, and the online publication of this list by the Scheme Administrator.
- Not charge Scheme applicants any sum in excess of the difference between the agreed fee (having regard to the relevant published fee for the service being provided to the child) and the subsidy payable. The sum charged to the applicant is the “parental co-payment”. The provider must retain adequate records to satisfy the Scheme Administrator in relation to the parental co-payment.

## **Attendance**

Childcare service providers must -

- Record each child's attendance in the service every day, using the standard template set out as part of the contract. This record must include the child's name, the date of attendance, the time of arrival and the time of departure, ensuring that children with the same name can be separately identified. Records may be retained manually or electronically once the standard template is used and all associated reporting requirements are met.
- Monitor and report each child's attendance in accordance with the attendance rules set out in regulations and in chapter 8 of these guidelines.
- Submit a reporting return in respect of attendance on the Early Years Platform Provider Portal each week in respect of the previous week. Failure to submit the return will result in subsidy payments being suspended.

## **Declarations and Compliance**

Childcare providers must complete an annual financial declaration confirming that they –

- (a) have submitted their annual accounts in line with CRO and Revenue deadlines.
- (b) have clearly disclosed all National Childcare Scheme funding within the annual accounts as a discrete line item.
- (c) will make the accounts available to the Scheme Administrator on demand.
- (d) have offset subsidies in full against the agreed fees.
- (e) have a valid tax clearance certificate.
- (f) will facilitate authorised officers appointed by the scheme administrator in the course of their compliance functions.

## **6.3 Approval process**

There are two stages to the contracting and approval process for the National Childcare Scheme.

The first part is a once off on-boarding process to establish the childcare service provider on the Early Years Platform (EYP). It includes gathering, reviewing and approving details of the organisation's legal structure, its facilities (known as "Service Providers"), and its "Primary Authorised User" (PAU), who has authority to enter contracts on behalf of the organisation.

The on-boarding process for new organisations is initiated by the organisation via the Provider Portal on the platform. The process includes online validation using Revenue and, where appropriate, CRO data, a two-step user authentication process and mandatory review and approval steps.

Once reviewed and approved, the Organisation's PAU has access to the Provider Portal. Through this, they will be able to keep their organisation information up to date and ensure that bank account details are added, removed and/or linked to schemes and programmes to facilitate payments.

The provider applies for entry onto a scheme or programme by applying for a Programme Call. In completing the application, the provider's Tusla registration is checked, and they enter their fees list and service calendar. The contract is then made available to the provider for electronic signature.

## 7. Registration

This Chapter explains how a subsidy award is registered in order to redeem payment of the subsidy. Section 7.1 deals with finding a childcare service provider and section 7.2 describes the registration process. Section 7.3 concerns arrangements for amendment and end-dating of registrations. Finally, section 7.4 relates to registration of two awards in respect of the same child.

### 7.1 Finding a childcare service provider

Once a parent has been given their Childcare Identifier Code Key (CHICK), they may take this code to any approved provider of their choosing. A list of approved providers can be found on the National Childcare Scheme website ([www.ncs.gov.ie](http://www.ncs.gov.ie)) and it is open to a parent to choose any approved provider that meets their needs and that has a place available.

If a parent arranges to use childcare from two different providers for a single child (e.g. different providers on different days of the week, or one provider in the mornings before school and another provider after school), the parent may use a single CHICK for both providers.

If parents are separated and each is awarded a subsidy in relation to the same child, the parents receive different CHICKs.

Neither the Scheme Administrator nor the Department of Children and Youth Affairs is liable if a parent is unable to find a childcare service provider that meets their needs or that can provide the amount of childcare for which the parent qualifies. Neither the Scheme Administrator nor the Department of Children and Youth Affairs has any role in mediating between parents and childcare service providers.

While the subsidy award specifies the maximum number of hours of childcare for which a subsidy is payable under the Scheme, it is a matter for the parent and provider to agree on the total amount of childcare to be provided. It is at the discretion of the childcare service provider how many hours of childcare the provider offers and how the provider's timetable is structured.

### 7.2 Registration process

Once the parent and provider agree on the childcare to be provided, the parent must inform the childcare service provider of the child's full name, CHICK and date of birth in order for the child to be registered for a subsidy under the Scheme. The child's full name, CHICK and date of birth must match in order that the service provider can retrieve the subsidy details for the child

and proceed with the registration. **There is no requirement or need for parents to provide PPS numbers to childcare service providers.**

The provider can use the CHICK to register the child at any time up until the award expiry date. Subsidies are payable from the start of the week in which the child is registered by the childcare service provider, subject to approval of the registration by the parent. As the Scheme's systems operate on a weekly basis, payment will be made for the week regardless of what day the registration is made. The start date registered by the provider can be at any point in the future but can never precede the date of notification of the award, i.e. there is no backdating prior to the date of receiving the award.

When the provider enters the child's name, date of birth and CHICK into the Provider Portal, the provider is informed of:

- the subsidy rate per hour for which the child qualifies;
- the maximum number of hours per week for which the parent may claim an NCS subsidy;
- any expected changes in the subsidy rate per hour and/or maximum hours per week before the renewal date (for example, the child's birthday, if that will result in a change of subsidy rate); and
- the expiry date of the subsidy.

The provider may use this information to calculate the co-payment that the parent must make. Details in relation to fees and co-payments can be found in Chapter 9.

The provider must then enter the weekly hours of childcare for which a subsidy is sought, as agreed between the provider and the parent(s), distinguishing term-time weeks from other weeks where applicable.

If the hours registered are the same or less than the parent's maximum hours of subsidy per week awarded, then a subsidy is payable for all the hours registered, unless a subsidy is already being paid for the child in relation to another parent (see section 7.4).

If the hours registered are more than the parent's maximum hours of subsidy awarded, then a subsidy is payable for the maximum hours of subsidy, unless a subsidy is already being paid for the child in relation to another parent (see section 7.4). The additional, unsubsidised hours are a matter for the parent and no NCS subsidy will be paid by the Scheme Administrator in respect of these hours.

The provider enters the following information in the Provider Portal:

- Total number of hours of childcare each week for which a subsidy is sought.  
If the hours are expected to differ between term-time and holiday periods, the weekly hours of childcare should be entered separately for term-time and holiday periods. If the provider and the parent have agreed to any regular variation from the standard pattern (e.g. week-on / week-off arrangements), this variation should also be entered by the provider when registering the subsidy award.

- The date on which the childcare arrangement is due to end, or the subsidy end-date, whichever is sooner.

Once the provider has completed the registration, the Scheme Administrator notifies the parent to check that the information entered is correct. The parent must confirm that the registration details are correct in order to complete the registration process and for the subsidy payment to begin.

Information on referrals made by sponsors can be found in Chapter 14.

### **7.3 Amendment and end-dating registrations**

After a child has been registered with a provider on the Provider Portal, it may be necessary to change the registration before the renewal date. This could arise where a parent's childcare needs change and they agree revised hours with the provider. In such a case, the provider must amend the registration details and a notification is sent to the parent, who must approve the amended hours in order for them to take effect.

A provider may also amend a registration in cases where there is persistent under-attendance relative to the hours registered. (Thresholds and the process for reporting persistent under-attendance are set out in Chapter 8.)

Where a child leaves a service, the service provider must notify the scheme administrator by end-dating the claim. It is only when the claim is end-dated that the child can be registered with a new service. The service provider will also end date a claim where the parent presents a new CHICK with a view to claiming a new subsidy award. (Details in relation to departures from a service can be found in section 8.3.3.)

### **7.4 Registration where more than one application per child**

Parents who are separated and share custody or day-to-day care of the child may register separate subsidy awards in respect of the hours they each have custody of the child. Each hour of childcare approved by the scheme administrator may only be subsidised once. If a child is already registered with another provider for a particular time period, the child cannot be registered with a second provider for these hours.

Each application produces a CHICK which may be used to register for childcare with a chosen provider. Each provider enters in the Provider Portal the hours of childcare agreed with the parent. The registration system then compares the hours entered with any hours already registered for the child to ensure that the combined hours do not exceed the Scheme limits of:

- 40 hours per week in respect of a child in cases where a parent has been awarded a universal subsidy or an income-related enhanced hours subsidy.<sup>29</sup>
- 15 hours per week in respect of a child in cases where parents have been awarded an income-related standard hours subsidy.

Where separated parents are applying individually, it is the parents' responsibility to agree the hours each parent will register subject to the maximum hours of the childcare award. In line with this approach, a child's maximum hours under the Scheme will be allocated on a "first come, first served" basis between the separated parents. The first parent to register is unrestricted in the hours they may register, subject to the maximum hours awarded to that parent under the Scheme. The second parent may register for any remaining hours that are unused from the maximum combined hours (subject to the limit of the maximum hours awarded to that parent).

If the maximum combined hours under the Scheme are reached, the parents must agree the allocation of hours between themselves and if necessary amend their registrations through their childcare service providers.

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<sup>29</sup> From September 2020, the maximum hours for a universal or enhanced hours subsidy will increase to 45 hours per week, while the maximum hours for a standard hours subsidy will increase to 20 hours per week.

## 8. Approval and Payment of Subsidies

This chapter describes the process for approval and payment of subsidies. Section 8.1 sets out how subsidies are approved and notified. Section 8.2 concerns payment of subsidies, while section 8.3 details the requirements on recording and reporting attendance which form the fundamental basis for the payment of subsidies. Section 8.4 deals with cessation of payments.

### 8.1 Approval and approval notification

Where a provider has completed the registration process described in Chapter 7 and the registered hours have been confirmed by the applicant, the Scheme Administrator shall approve a weekly subsidy based on the awarded subsidy rate and the registered hours (up to the maximum hours awarded) for both term-time weeks and other weeks. Through the Provider Portal, the provider will see the approved status, the subsidy to be paid each week (rate per hour and number of hours per week) and the number of weeks for which the subsidy will be paid until the renewal date.

The same approval process will apply in a situation where the parent and provider decide to make changes to the number of hours registered or to register non-term weeks at a later date.

### 8.2 Payment of subsidies

Subsidies will be paid by the Scheme Administrator with effect from the start date specified in the registration process as described in Chapter 7 of these Guidelines.

The Scheme Administrator makes payments to providers on a regular basis in respect of all children who are in receipt of an NCS subsidy. Payment is based on the child's registered hours of childcare, subject to the rules on non-attendance (i.e. payments will be based on the child's attendance rather than on their registration with the service - see section 8.3 of this chapter and Chapter 15 for more information). A service provider will be paid for ten closed days, excluding bank holidays, in a contract period. The level of payment will reflect the claims levels applicable within the relevant period.

Using the Provider Portal, providers are able to see details of weekly and cumulative payments, as well as subsidy details for each child registered.

## 8.3 Monitoring and recording attendance

When initially registering a child on the Provider Portal, a provider must submit the following information:

- (i) child's date of birth;
- (ii) childcare identifier code key (CHICK);
- (iii) total number of hours per week of childcare, as agreed with the parent, to be subsidised ('registered hours').

In line with Tusla requirements, the service provider must maintain daily attendance records for each child specifying:

- (i) the child's name;
- (ii) date of attendance;
- (iii) time of arrival;
- (iv) time of departure; and
- (v) the person responsible for recording the child's arrival and departure.

These daily records must be maintained by the provider in accordance with mandatory regulations. They are not logged on the Provider Portal but do form the basis for the weekly reporting returns made by providers on the portal.

### 8.3.1 Certification by providers

In respect of every child attending the service for whom financial support is paid under the National Childcare Scheme, the provider must report via the Provider Portal:

- a) the departure of a child from the service;
- b) any absence for a continuous period of four or more consecutive weeks;
- c) any persistent under-attendance as described below.

This reporting return must be completed by a set time every week via the Provider Portal. The return will have an explicit link to payments and will form the basis for any adjustments to payments which arise from the departure, absence or persistent under-attendance of children.

When making the reporting return, the service provider will be required to report any of the following events:

- A child has left the service;
- A child been absent for four or more consecutive weeks;
- A child's attendance been less than their NCS subsidised hours every week for eight consecutive weeks.

As part of the reporting return, the provider must also update a child's registration details where a change in the hours of childcare to be subsidised has been agreed between the provider and the parent.

If a service provider fails to submit a return within the required timeframe, all subsidy payments will be suspended until the return is submitted and the system will issue a notification to this effect.

Where a provider has failed to submit a return within the required timeframe, s/he may request a "grace period" payment. A request for this payment must be made to the Scheme Administrator. In such circumstances, the "grace period" payment will be based on the latest reporting return.

A request for a "grace period" payment can only be made on up to two occasions within the contracting period, and may not be made consecutively.

### **8.3.2 Recording of part hours**

The Scheme Administrator will pay an NCS subsidy for all hours or part-hours up to the approved maximum per week, i.e. any part of an hour gets rounded up. For example, if a parent needs 6.5 hours of care each day, then the provider may register this as 7 hours of care each day or 35 hours per week. Similarly, if the total hours of attendance recorded for a child is 7 hours and 15 minutes, this can be taken as 8 hours for the purpose of monitoring attendance. This approach recognises that, in practical terms, parents are constrained by commuting schedules, train timetables, traffic etc.

### **8.3.3 Departure from service**

As part of the return, providers will be required to report each child who has left the service and the date on which the child left the service. Payment of financial support for a child will cease from the day following the day the child leaves the service and written confirmation of this will be sent by the Scheme Administrator to the parent either via the Parent Portal or by post. The provider will similarly receive confirmation via the Provider Portal that the subsidy is not payable beyond the date of leaving the service.

Parents should give providers four weeks' notice of a departure from a service. This will allow providers to notify the Scheme Administrator of a child's departure in advance, with payment ceasing on the actual date of departure. Where a child is moving to a new childcare service, the new provider will similarly be able to record the date of arrival in advance and then be paid from that date. However, this will only be permitted where the previous provider has recorded a date of departure and this date does not conflict with the commencement date in the new service (i.e. there is no overlap<sup>30</sup>). Where no notice of departure is given by a parent, the provider may claim up to 4 weeks subsidy in lieu of notice. (The provider may not claim payment in lieu of notice immediately following a 4 week absence. For example, if a child has been absent for 4 weeks from Monday 15<sup>th</sup> April to Sunday 12<sup>th</sup> May, the provider may not claim a further 4 weeks payment from Monday 13<sup>th</sup> May.)

Where a provider is claiming 4 weeks payment in lieu of notice, a new provider will not be able to register the child until the 4 weeks has elapsed and the original provider has ended the subsidy registration. Where the new provider is blocked from registering the child because of this issue, it will be a matter for the parent to liaise with the previous provider in relation to recording the child's departure on the provider portal.

#### **8.3.4 Continuous period of absence of four consecutive weeks**

A provider must register a continuous absence lasting four or more consecutive weeks on the Provider Portal. In registering this type of absence, the provider will have the opportunity to:

- (i) confirm that the child is now back in the service and state the date of return, and
- (ii) outline any exceptional circumstances which may apply in the case of the absence.

Once the provider has reported an absence of four consecutive weeks, the system will automatically issue a warning notification to both parent and provider to say that the subsidy for the child will be suspended if the absence continues. If the child has already returned to the service when this warning is issued, it may be ignored as there will be no break in subsidy if the absence lasts no longer than four weeks.

If the child does not return during the 5<sup>th</sup> week, the subsidy will not be payable for any period between the four weeks absence "allowance period" and the date of return, unless special circumstances are deemed to apply. For example, if a child was absent for six continuous weeks (04/11/19- 15/12/19) and then returned to the service on 16/12/19, there would be two weeks where no subsidy would be payable (02/12/19- 09/12/19).

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<sup>30</sup> Where a child becomes the subject of a sponsor referral with a different childcare service provider, the scheme administrator may use its discretion to allow some overlap in respect of the four week notice period due to the commencement of a sponsor arrangement with the new provider.

Where there has been a continuous absence of more than four consecutive weeks and regardless of whether the child is now back in the service or not, the provider may upload a letter from the parent outlining any special circumstances which apply. In general, where the scheme administrator is satisfied that special circumstances apply, it may approve payment of the subsidy for a **six week** continuous absence period, i.e. subsidies would continue where there is a total absence of six weeks, comprising the four week absence which must be notified plus an additional two weeks.

### 8.3.5 Special circumstances

The following are situations which qualify as “special circumstances”, at the discretion of the Scheme Administrator:

Qualifying Circumstance	Maximum Absence for which Subsidy is payable
Immediate family bereavement	6 weeks
Extended travel once a year to the birthplace of the child or either of the child’s parents	6 weeks
Family moving into or out of emergency accommodation <sup>31</sup>	6 weeks
Child moving into or out of care placement	6 weeks
Prolonged illness (more than four weeks), of either the child or a parent	12 weeks

The Scheme Administrator may seek supporting proof of “special circumstances”. Acceptable proofs may include a letter or medical certificate which can be uploaded onto the system by the provider (as provided by and with the agreement of the parent). A parent may also submit the proof directly to the Scheme Administrator if they prefer.

Where a continuous absence of 4 or more weeks is recorded, the Scheme Administrator will also advise that the provider has two weeks to submit an application if they consider “special circumstances” apply and should be taken into account.

- Where an application for “special circumstances” is submitted<sup>32</sup> within the two weeks and the Scheme Administrator decides that “special circumstances” apply, the subsidy will be restored and will continue to be paid for a maximum of 6 weeks from the date on which the absence commenced, except in the case of prolonged illness where a maximum of 12 weeks may be allowed.

<sup>31</sup> In respect of a child who is **not** the subject of a sponsor referral. Further details are available in chapter 14 in respect of non-attendance of a child who is the subject of a sponsor referral.

<sup>32</sup> The letter may be uploaded or sent by post. Providers will be encouraged to upload for ease of administration. However, the parent may post the letter directly to the Scheme Administrator if s/he wishes.

- Where an application is submitted within the two week period and the Scheme Administrator decides that “special circumstances” do not apply, payment will cease with effect from the date of suspension (i.e. from the end of the four weeks of continuous absence) and both the parent and the provider will be notified of this cessation. The claim will then be ended accordingly.
- Where no application is submitted within the two week period and the child is not certified as having returned to the service within that time, then payment will cease with effect from the date of suspension (i.e. from the end of the four weeks of continuous absence) and both the parent and the provider will be notified of this cessation. The claim will be ended accordingly.
- Where no application is submitted but the child is certified as having returned to the service within the two week period, then the payment suspension will be lifted with subsidies paid from the date of return to the service (but not in respect of any period between the four weeks absence “allowance period” and the date of return).

Providers may notify the Scheme Administrator in advance of a forthcoming continuous absence where they believe “special circumstances” will apply.

### 8.3.6 Persistent Under-attendance

Providers must review the child's attendance pattern at the end of each reporting period and, where attendance has been less than registered hours in each of the previous eight weeks, this must be reported on the Provider Portal.

Reported hours of attendance are exclusive of scheduled ECCE hours, i.e. where a child is scheduled to attend ECCE for 3 hours each day, these ECCE hours do not count for NCS subsidies and; therefore, should not be included in any calculation of weekly under-attendance relative to NCS registered hours.

When an eight week under-attendance has been reported, the Scheme Administrator will issue a notification to both the parent and the provider indicating that financial support will be reduced if a pattern of reduced hours continues for a further four weeks and will indicate the date from which this change will take effect (which will be no sooner than 20 working days after the date of the notification). The notification will ask the provider to establish with the parent whether this pattern of reduced hours will continue, in which case the child’s registered hours must be adjusted on the Provider Portal. Alternatively, the provider may upload a letter from the parent<sup>33</sup>, with the latter’s consent, seeking an exemption due to “special circumstances”.

“Special circumstances” in relation to persistent under-attendance are limited to regular attendance at medical or therapeutic appointments by the child, the parent or a sibling.

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<sup>33</sup> The letter may also be posted directly to the Scheme Administrator either by the provider or the parent.

Where these circumstances arise, subsidies may continue to be paid for four further weeks, (meaning that the under attendance can continue for 16 weeks without affecting the subsidy). This four week extension can be extended strictly at the discretion of the Scheme Administrator where a letter is submitted which provides evidence of a series of medical or therapeutic appointments stretching over a long time-defined period.

The scheme administrator may seek supporting proof of “special circumstances”. Acceptable proofs may include a letter or medical certificate which can be uploaded onto the system by the provider (as provided by and with the agreement of the parent). A parent may also submit the proof directly to the Scheme Administrator if they prefer.

The provider’s reporting returns relate to the attendance of the child in relation to their subsidised hours of care. If a parent is paying privately for extra hours above the NCS subsidised hours, there is no need to record any variation in attendance for these hours.

### **Outcomes arising from under-attendance**

At the end of the four weeks following the notification, five different outcomes are possible, with the following rules applying in each case:

1. Where the child’s registered hours have been adjusted by the service provider, the subsidy payment will be automatically adjusted accordingly.
2. Where the child’s registered hours are not adjusted by the service provider but there is no under-attendance recorded during at least one of the four weeks following the notification, the subsidy payment will continue based on the original registered hours.
3. Where the pattern of reduced hours continues in each of the four weeks following the notification, the provider must record this and record the actual number of hours attended in each of the previous 12 weeks. The Scheme Administrator will adjust the hours of childcare subsidised to reflect the average weekly hours of attendance over the previous 12 weeks and will notify the parent and provider accordingly. After the Scheme Administrator has made this adjustment, the number of registered hours cannot be readjusted upwards by the provider for a period of eight weeks. This restriction of hours will also apply to any new award during the eight week period, except where certain circumstances arise (see exceptions to eight week period section below).
4. Where a child’s registered hours are not adjusted but an application outlining “special circumstances” is submitted and approved by the Scheme Administrator, the Scheme Administrator will approve the continuation of the payment based on the original registered hours for a 4 week period (or longer if the required evidence was submitted). These arrangements are still subject to ongoing reporting of the variations and confirmation of the original pattern being resumed.
5. Where a child’s registered hours are not adjusted and an application outlining “special circumstances” is submitted, but rejected by the Scheme Administrator, the Scheme

Administrator will adjust the hours of childcare subsidised to reflect the average over the previous 12 weeks and will notify the parent and provider accordingly.

### **Exceptions to the 8 Week Period**

Where the Scheme Administrator has adjusted the hours of subsidised childcare on foot of persistent under-attendance (i.e. where the outcome at 3 or at 5 above arises), the provider will not be permitted to readjust the registered hours upwards for a period of 8 weeks, i.e. the registered hours will be effectively 'frozen' for a period of 8 weeks. However, the scheme administrator may set a shorter 'frozen' period, during which registered hours may not be readjusted upwards, where the following circumstances are due to arise within the 8 week period:

- Child will move from term-time hours to non-term-time hours (or vice versa);
- Child's education stage will change;
- Subsidy type will change from universal to income-assessed (or vice versa);
- A new award has been approved which involves an increase from standard hours to enhanced hours.

In each such case, the Scheme Administrator will set the number of 'frozen' weeks based on the date on which the relevant change of circumstance is due to arise.

## **8.4 Cessation of payments**

The Scheme Administrator will continue to make a payment for each eligible child until one of the following dates:

- the end date of the award;
- a date notified to the scheme administrator by the provider/parent as the date on which the childcare services will end;
- a date dictated by non-attendance.

## 9. Fees Charged to Parents by Providers

This section details the publication of fees charged by providers and how co-payments, if applicable, are determined.

### 9.1 Determination and publication of fees

Childcare service providers are responsible for setting their fees. Neither the Department of Children and Youth Affairs nor the Scheme Administrator has any role in the setting of fees by childcare service providers.

However, approved providers must publish their fees (including any discounts, which must be equally available to both those in receipt of the NCS subsidy and those not in receipt of the subsidy). Fees must be published using a standard template specified by the Scheme Administrator.

Publication of fees must involve:

- Making the fees list clearly visible to parents within the service.
- Making the fees list available on any online platform which the provider maintains for the purpose of advertising its services.
- Submitting the fees list to the Scheme Administrator through the Provider Portal.

As a condition of participation in the Scheme, approved providers agree to allow the Scheme Administrator to publish their fees list online and in any other form. The Scheme Administrator also reserves the right to publish this data and use the data in aggregate form for the purpose of reporting on fees. An approved provider may change its fees but must notify the Scheme Administrator, as well as the parents of children registered with the provider under the Scheme, of the proposed change at least 20 working days before implementing any such change<sup>34</sup>. When a provider changes its fees, it must publish the revised fee list and must submit a revised fees list to the Scheme Administrator at least 20 days before the fees are changed.

### 9.2 Co-payments

The provider must fully offset the subsidy provided under the National Childcare Scheme against the relevant published fee agreed with the parent, charging only the balance to the parent (“the co-payment”). The co-payment that the provider charges a parent must not be

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<sup>34</sup> Fees lists will not be subject to a formal approval process in advance of publication, but are subject to checks by the Scheme Administrator at the discretion of the scheme administrator.

greater than the difference between the published fee relevant to the service used by a child (including any published discounts) and the subsidy paid in respect of that child.

*Example: Where a parent qualifies for an NCS subsidy of €100 per week and the provider's relevant published fee- which is agreed with the parent- is €200, then the parental co-payment should be no greater than €100 per week. Where the child is also participating in ECCE, the co-payment should not exceed the published fee less €64.50 in respect of the ECCE State Subsidy and less the NCS subsidy (€200 minus €64.50 in respect of ECCE and minus €100 in respect of NCS equals a parental co-payment of €35.50.*

It is open to a provider to charge the applicant a co-payment that is less than this maximum amount. For example, if a parent cannot afford the co-payment, the provider may choose to waive part or all of the co-payment. However, the fee (before deduction of the subsidy) that the provider charges a parent who benefits from a subsidy may not differ from the fee that the provider charges for the same service to a parent who does not benefit from a subsidy.

The parent should pay the co-payment directly to the childcare service provider in a manner and timeframe that has been agreed between the provider and the parent.

The provider must retain detailed receipts and financial records for all co-payments that relate to NCS payments, to allow the Scheme Administrator's compliance officers to check that parents have benefited fully from the subsidies paid.

## 10. Renewal of Subsidies

This chapter details the process for renewing the subsidy application by parents. It also explains the process that childcare service providers follow to renew the child's registration for the Scheme.

At least 20 working days before the expiry of the award, the Scheme Administrator will send a notification with a reminder of the expiry date to a parent who is benefiting from a subsidy and to the childcare service provider, and shall inform the parent of the process for renewing the subsidy.

To minimise the risk of a break in subsidy, parents are advised that they should log into their account on the Parent Portal as soon as possible to confirm they would like to renew the subsidy.

### 10.1 Renewal process

Once a parent has confirmed they wish to renew a subsidy, the renewal process is the same as the process for making an initial application as outlined in Chapters 3 and 4 of these Guidelines, except that some information is not required to be re-submitted (unless it has changed), e.g. address, dates of birth, PPS numbers. Parents will also have an opportunity to update information, such as education stage, during the renewal process.

As with an initial application (see section 5.3), when the assessment of a renewal application is complete, a notification is sent to the parent advising them to log in to the Parent Portal to see the details of the new decision including any subsidy award. If the parent still qualifies for a subsidy for the child, the parent is issued with a new CHICK.

On receipt of a renewed subsidy award, the parent should give the new CHICK to their chosen provider, to allow for a renewal of the registration for the child. In renewing the registration, the provider should complete the standard registration process described in Chapter 7.

### 10.2 Cessation of payment

If the application renewal process has not been completed before the expiry of the existing subsidy award, the subsidy will stop at the expiry date. If a renewal process is not completed before the expiry date, a parent may make a new application at any time, but there may be a break in subsidy payable under the Scheme as subsidies can only be paid from the point of registration of the new award with the service provider<sup>35</sup>.

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<sup>35</sup> Subsidies are payable from the week of registration, subject to the date of validity of the award. An award will always have a validity date of the Monday following the date of issue of the award.

If, as part of the application renewal process, the Scheme Administrator determines that the parent no longer qualifies for a subsidy for the child, then the Scheme Administrator shall notify the parent of this decision and no further subsidy in relation to that child will be paid after the expiry date.

# 11. Change of Circumstances

This chapter concerns changes to an applicant's circumstances. Section 11.1 sets out the situations where an applicant is required to inform the scheme administrator of a change in their circumstances and describes the corresponding actions to be taken by the Scheme Administrator. Section 11.2 describes examples of changes which do not need to be notified, but which can be taken into account by means of a new application if the applicant so wishes. Sections 11.3 and 11.4 clarify the position with regard to changes in relation to an applicant's availability to care for a child and the multiple child discount respectively.

## 11.1 Changes that must be notified to the Scheme Administrator

Where a parent's circumstances change in a way that affects either their **eligibility** for the Scheme or their **work/study status**, they **must** notify this change to the Scheme Administrator. If a parent who is benefiting from any subsidy ceases to be eligible for the Scheme (as outlined in section 2.1) or if a parent, or the partner of a parent in the case of a couple, who is benefiting from an enhanced-hours subsidy ceases to meet the enhanced hours criteria (as outlined in section 5.2.3), then the parent must inform the Scheme Administrator in writing, through the Parent Portal or by post, as soon as possible once the change occurs.

Examples of changes which **must be** notified to the Scheme Administrator include:

- The applicant, or his or her partner, no longer has care of the child who is the subject of the subsidy award for the period for which the subsidy is payable, e.g. loss of custody. This must be notified where the applicant is in receipt of any form of subsidy;
- The applicant **and** his or her partner no longer meet the eligibility criteria as detailed in section 2.1.2. This must be notified where the applicant is in receipt of a universal or an income-related subsidy;
- the applicant, **or** his or her partner, has ceased to participate in work or study or otherwise qualify under enhanced hours criteria (see section 5.2.3). This must be notified where the applicant is in receipt of an income-related subsidy.

There is **no need** for the parent to notify the Scheme Administrator where:

- a child to whom the subsidy relates reaches 15 years of age; or
- the child to whom the subsidy relates has become the subject of a referral to the Scheme Administrator by a sponsored body.

## Actions by the scheme administrator

### No longer eligible for the National Childcare Scheme

If a parent informs the Scheme Administrator that s/he no longer meets the eligibility criteria for the Scheme, then the Scheme Administrator shall immediately notify the parent and the childcare service provider that the subsidy will end 20 working days after the notification, and the subsidy payment in respect of the child will end on the date specified.

### Loss of work/study status

If a parent no longer qualifies for an enhanced hours subsidy because they or their partner are no longer engaged in work or study, they must notify the Scheme Administrator as soon as possible once the change has occurred.<sup>36</sup> The notification must include details of the end date of the work or study.

Where the person had qualified for an enhanced hours subsidy because of being engaged in work or study, they will still qualify for an enhanced hours subsidy for a period of 4 weeks from the end date of their work or study<sup>37</sup>. The subsidy will change to a standard-hours subsidy at the end of the 4 weeks. While the hours of subsidy will be reduced to standard hours by the Scheme Administrator, the parent's income will not be reassessed until their renewal date (see Chapter 10), unless the parent requests a reassessment of their income (see section 11.2 below).

### Age Limit Attained

Where the child to whom the subsidy relates reaches 15 years of age, the subsidy award will end on the child's 15<sup>th</sup> birthday. This will have been notified in the original award notification. No action is required by a parent or provider and the Scheme Administrator's system will automatically update the details.

### Sponsored Referrals Changes

Where a child to whom the subsidy relates becomes the subject of a sponsor referral which is linked to the same applicant (i.e. a referral which is intended to supplant the original subsidy award), the original subsidy award will end and the sponsored subsidy award will begin.

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<sup>36</sup> The exception to this is where an applicant is ending work/study and the applicant is starting a new job/course within the immediate 8 week period; in which case no notification is necessary.

<sup>37</sup> Where an applicant is transitioning out of work and transitioning into study, an applicant may continue to receive an enhanced hours subsidy for 8 'transitional' weeks, i.e. 4 weeks for transitioning out of work and 4 weeks for transitioning into study.

## 11.2 Other changes of circumstances

Where there has been a change of circumstances other than those outlined, the parent may decide to make a new application based on their revised circumstances. Any change to the subsidy, either in rate per hour or hours per week, will be reflected in the award given in relation to the new application.

Examples of these types of changes include where:

- A parent's income falls (inclusive of any partner's income);
- A parent and their partner become eligible for the enhanced hours subsidy by meeting any of the criteria for enhanced hours, (see section 5.2.3);
- Another child is born to the family thereby increasing the multiple child discount.

If an applicant decides that moving to a different type of subsidy is more advantageous during the period of an award, they may cancel their current award<sup>38</sup> and submit a new application on the Parent Portal for the other subsidy type. For example, a parent may wish to use a universal award during term-time and an income-related award for the summer holiday period or a parent may wish to apply for a universal subsidy award in relation to one particular child, while retaining an income related subsidy award for all of the other children in the family.

## 11.3 Change of circumstances during subsidy award on basis of unavailability to care for a child

Where a parent has qualified for an enhanced hours subsidy on the basis that they are unavailable to care for a child, the parent is **not** required to notify the Scheme Administrator of a change of circumstances in relation to their unavailability to care for a child. At the point where the subsidy is due to be renewed, then their situation will be reassessed and will be based on their updated circumstances.

## 11.4 Multiple child discount changes

Where a subsidy award includes a multiple child discount and there is a reduction in the number of children who had been included in the calculation of the multiple child discount (e.g. loss of custody of one or more children), there is no requirement to notify the Scheme Administrator for the period of the subsidy award. At the point where the subsidy is due to be renewed, the situation will be reassessed based on current circumstances.

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<sup>38</sup> By using the cancel option on the parent portal.

However, where the applicant chooses to notify the Scheme Administrator of any reduction in the number of children included in the multiple child discount, the subsidy award will be re-calculated and awarded on the applicant's current circumstances. A new subsidy award will then apply.

## 12. Reviews Requested by Parents or Service Providers

A review involves a re-examination of a decision by the Scheme Administrator in relation to (i) eligibility, (ii) a subsidy award or (iii) payment of a subsidy. It entails the manual examination of all relevant data by an officer of the Scheme Administrator.

This chapter details how reviews are carried out when requested by a parent (section 12.2) or a childcare service provider (section 12.3). Section 12.4 sets out what happens after a review has been carried out. Reviews initiated by the Scheme Administrator (in the absence of any request by a parent or childcare service provider) are dealt with in Chapter 15.

### 12.1 Timelines for seeking a review by a parent or service

Where an applicant was deemed **ineligible to apply**, a review may be requested by the applicant within 30 working days of the decision by the Scheme Administrator.

Where an applicant was deemed eligible to apply but **did not qualify** for a subsidy award, a review may be requested by the applicant within 30 working days of the decision by the Scheme Administrator.

Where an applicant wishes to seek a review relating to the **period of validity** of the decision by the Scheme Administrator, a review must be requested within 30 working days of the decision by the Scheme Administrator.

Where a review is sought by a parent or a service provider regarding the **amount of subsidy** paid in a particular week, the parent or the service provider must request a review within 30 days of the payment of the subsidy.

A sponsor parent may request a review in relation to the **number of hours of childcare provided** in any week within 30 days of the end of that week and where the review relates to the **amount of subsidy** paid, the review request must be made within 30 days of the payment.

Once the period for requesting a review has lapsed, it will not be possible for an applicant or a childcare service provider to request a review.

### 12.2 Reviews requested by parents

A parent who has made an application for a subsidy may seek a review of one or more of the following, as appropriate:

- a decision not to award a subsidy on grounds that the parent is ineligible;

- the subsidy rate per hour awarded to the parent, e.g. if the parent believes that the income assessment on which the award was based was incorrect;
- the maximum number of hours of subsidy awarded per week, e.g. if the parent believes that enhanced hours should have been awarded when only standard hours were awarded;
- the amount of subsidy paid each week, e.g. if the parent believes that the hours of subsidy paid are less than the hours of subsidy used and for which the parent has been awarded a subsidy;
- the period of validity of a decision.

A sponsor parent may seek a review in relation to (i) the number of hours of childcare services provided in any week or (ii) the amount of subsidy paid each week.

In order to request a review, a parent may either log in to the Parent Portal and select the option to initiate a review or they may submit a request for a review in writing using the prescribed form. After receiving a request for a review, the Scheme Administrator shall acknowledge receipt of the request within 10 working days.

One or more matters may be the subject of a particular review. However, a review of a decision may be requested once only in relation to any particular issue in respect of which it is appropriate for a parent/applicant to request a review.

Reviews may be requested at different times in relation to different matters that are the subject of a decision by the Scheme Administrator. For example, an applicant can ask for a review in respect of the subsidy rate awarded within 30 days of the award decision and subsequently, on a later date, seek a review in respect of the amount of subsidy paid in a particular week within 30 days of the payment by the Scheme Administrator.

Where a review decision is made on a particular matter and, following the review, the parent is not satisfied with the review decision, the parent may appeal that decision to an Appeals Officer (see Chapter 13).

In carrying out a review, the Scheme Administrator may:

- seek additional information or documentary evidence from the parent or the childcare service provider;
- gather automated data from Revenue or from the Department of Employment Affairs and Social Protection;

- seek verification of a parent’s work/study status from an employer or from an education or training provider where the review relates to the awarding of enhanced hours on either of these bases.<sup>39</sup>
- seek proof in relation to the applicant being unavailable to care for the child.

Foreseen changes such as a birthday or a planned change in education stage (e.g. a child starting school) will be included as part of the original subsidy award, with corresponding changes to subsidy rates flagged within the original award notification. As such, there is no need for a parent to seek a review when such a change occurs.

### 12.3 Reviews requested by providers

A childcare service provider may initiate a review of a subsidy if they believe the amount of subsidy paid to them does not correctly reflect the hours of childcare they have registered in relation to the subsidy.

A request for a review must be made in writing in the form and manner specified by the Scheme Administrator (in practical terms, this will be via the Provider Portal). After receiving a request for a review, the Scheme Administrator shall acknowledge receipt of the request within 10 working days.

In carrying out a review, the Scheme Administrator may:

- seek additional information or documentary evidence from the childcare service provider.
- seek additional information or clarification from the parent to whom the subsidy under review relates.
- send an authorised officer to visit the childcare service provider to view or obtain relevant records in relation to the issue under review, e.g. attendance records or financial records. (See Chapter 15 for further details in relation to visits to childcare service providers by authorised officers.)

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<sup>39</sup> Information can and will only be sought under section 17(3) in relation to the particular matter under review.

Where a review decision is made on a particular matter and following the review, the provider is not satisfied with the review decision, the provider may appeal that decision to an Appeals Officer (see Chapter 13).

## 12.4 Outcomes of reviews

Where a review is initiated by a parent or a provider, a decision will be made by the Scheme Administrator within 40 working days of receipt of the review request or 40 working days of receipt of information requested by the Scheme Administrator. The Scheme Administrator shall inform the parent or the provider in writing of the outcome of the review within 10 working days of making a decision.

In a situation where a review decision is appealed, the review decision will be implemented by the Scheme Administrator pending the outcome of the appeal and any subsidy will be payable at the rate specified in the review decision.

- If the review results in a decision that the applicant is **eligible**, the Scheme Administrator will immediately proceed to determine the amount (if any) of financial support that the applicant may receive and will notify the applicant of the subsidy award.
- If the review decision results in an **increase** in an award or the subsidy paid, then the childcare service provider must register the CHICK associated with the increased award to enable the Scheme Administrator to implement the increase with effect from the date of the review decision.
- If the review decision results in a **decrease** in an award or the subsidy paid (including the end of a subsidy), then the Scheme Administrator shall not implement the change until at least 20 working days after the date of notification to the parent and the provider of the change.

In general, there will be no retrospective aspect to a review of an earlier decision relating to eligibility or a subsidy award. Following a review, where there is a favourable decision on eligibility leading to an award or where there is an increase in the subsidy award, the change will, in general, be implemented from the date of the review decision only and no retrospective award or payment will be made. However, an exception to this may arise where the Scheme Administrator is satisfied that an error was made by the Scheme Administrator when making the original decision.<sup>40</sup>

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<sup>40</sup> Only in the circumstance where the parent availed of childcare.

## 13 Appeals by Parents and Providers

This section details how appeals are carried out. Section 13.1 describes the establishment of a panel of Appeals Officers. Section 13.2 sets out the circumstances in which an appeal can be made and the time limit for making an appeal. Sections 13.4 and 13.5 explain the process for making and considering an appeal respectively. Section 13.6 clarifies requirements in relation to oral hearings. Section 13.7 concerns the decision of the Appeals Officer, while sections 13.8 and 13.9 deal with subsequent appeals to the High Court and complaints to the Ombudsman. Section 13.10 concludes with quality assurance of the appeals process.

### 13.1 Establishment of panel of Appeals Officers

The Scheme Administrator will establish and maintain a panel of designated Appeals Officers, appointed with the consent of the Minister for Children and Youth Affairs, who will work independently to undertake appeals. The Appeals Officers will act impartially and independently of the Scheme Administrator and in accordance with procedures made by the Minister. The Appeals Officers will observe the principles of natural justice and adhere to fair procedures.

Appeals Officers will not be employees of the Scheme Administrator. They will be engaged as independent contractors by the Scheme Administrator. They will be retained on an “*as required*” basis to determine appeals of review decisions where the parent or childcare service provider is not satisfied with the decision of the Scheme Administrator following a review. The Appeals Officers will provide appeal services as required for such hours as are reasonably necessary to properly and diligently deliver the appeals function.

The Appeals Officers will be appointed following a selection process by the Scheme Administrator. The Scheme Administrator will seek expressions of interest from suitably qualified persons and, following a selection process, the Scheme Administrator will deem a list of persons to be suitable persons to be appointed to the panel subject to the consent of the Minister. The list submitted to the Minister for consideration will include a report from the Scheme Administrator on the reasons each candidate has been assessed as meeting the criteria agreed between the Minister and the Scheme Administrator for the Appeals Officer role. Where the Minister consents to the appointment of a candidate, s/he will be appointed to the panel of Appeals Officers by the Scheme Administrator. The term of appointment will be for 2 years.

## 13.2 Circumstances in which an appeal can be made

A person who is dissatisfied with the outcome of a review process may make an appeal to specially appointed Appeals Officers. An appeal may only relate to a matter(s) which was the subject of a review decision made by the Scheme Administrator. For example, an appeal may be made by:

- an applicant who is dissatisfied with a review decision relating to eligibility;
- a parent who is dissatisfied with a review decision relating to a subsidy award; or
- a childcare service provider who is dissatisfied with a review decision relating to the level of subsidy paid.

The full circumstances in which a review may be requested by a parent or a childcare service provider is set out in Chapter 12, at sections 12.2 and 12.3 respectively.

The review decision will advise of the right to appeal that decision.

## 13.3 Time limit for making an appeal

An appeal must be made within 30 working days of the date of the notice of the review decision.

## 13.4 Appealing a review of the Scheme Administrator

The person requesting an appeal (appellant) must follow the appeals procedure.

Appeals must be made using the prescribed form which will be made available as part of the notification of a review decision.

The precise reason(s) for the appeal should be stated on the form and all relevant information should be submitted.

The form, and any supporting information, should be submitted on the Parent or Provider portal, as appropriate, or to the address specified by the Scheme Administrator on the National Childcare Scheme website. Where an appeal is being submitted by post, the envelope should be clearly marked "Notice of Appeal- National Childcare Scheme Appeals Office".

The appellant should ensure that appeals are submitted within 30 working days of the date of the notice of the review decision even if, at that stage, they consider that they are awaiting some supporting evidence (e.g. a medical report from a doctor). They must

indicate that they intend to submit some further supporting evidence as soon as it is available and indicate the nature of such evidence to be submitted.

Any person wishing to withdraw an appeal may do so by sending a notice in writing to the Scheme Administrator who will process the withdrawal and notify the Appeals Officer who is dealing with the case without delay.

### **13.5 Process following receipt of appeal**

Once an appeal is received, a person from the panel of Appeals Officers will be assigned to consider the appeal. That Appeals Officer will acknowledge receipt of the appeal to the appellant within 10 working days of his/her assignment to the appeal. S/he will also provide a copy of the notice of appeal and any supporting documentation to the Scheme Administrator.

The appeals process will be a full reconsideration of the matter. It is not confined to the grounds which were considered by the Scheme Administrator at the application stage or the review stage and may be decided as if the matter were being decided for the first time.

The Appeals Officer may request from the appellant, the parent/childcare service provider (if different to the appellant) or the Scheme Administrator any additional information that may be necessary to determine the appeal. It is a requirement of the appeals process that timelines set by the Appeals Officer are adhered to, including any timelines set for the receipt of additional information requested from any person.

The Appeals Officer may also set a specific timeline for the receipt of information that was not submitted with the appellant's appeal (where incomplete documentation was signalled when the appeal was submitted) and any period set by the Appeals Officer for the receipt of the information must be adhered to. The Appeals Officer may proceed to determine an appeal where information has not been received within the period specified (see 13.7 below). In accordance with fair procedures, any information provided by the parent or the childcare service provider will be sent by the Appeals Officer to the Scheme Administrator. Similarly, any additional information provided by the Scheme Administrator will be copied to the parent or childcare service provider, as may be appropriate. Accordingly, each person will have the opportunity to comment on any reports or documents being used in the decision making process within 15 working days of the date on which that information was sent to them by the Appeals Officer or within any other timeline set by the Appeals Officer.

It is important that the grounds of an appeal are set out in full by the appellant. In considering an appeal, an Appeals Officer may:

- request the appellant to provide documentary evidence in relation to any matter that may impact on the appeal. This may include requiring a parent to provide documentary evidence at the appeal stage on what was initially an automated decision and for which documentary evidence was not previously sought;

- request the childcare service provider or the Scheme Administrator to provide documentary evidence in relation to any matter that may impact on the appeal.
- consider any written objections made by the appellant in support of the appeal;
- hold an oral hearing. The Appeals Officer may determine the appeal on the basis of written submissions only or the appellant and Scheme Administrator may be requested to attend an oral hearing to clarify points at issue.

## 13.6 Oral hearings

The Appeals Officer may decide to hold an oral hearing to obtain more details about a case or to clarify points which are at issue in relation to the decision that is under appeal. The oral hearings are informal and adhere to fair procedures. Hearings may take place in Dublin or at regional centres across the country to facilitate appellants outside of Dublin, as may be determined by the Appeals Officers.

An appellant may be accompanied or represented at the hearing. An appellant may be accompanied by any family member or, with the consent of the Appeals Officer, by any other person. The accompanying person must remember that it is the appellant's appeal and the Appeals Officer will wish to hear from the appellant personally.

There is no need for legal representation to attend an oral hearing but it is open to an appellant to avail of legal representation. Costs and expenses in respect of attendance at a hearing by an appellant, representation by his or her legal representative or by other persons accompanying the appellant will not be reimbursed by the Appeals Officer or the Scheme Administrator.

Where an oral hearing is to take place, the appellant and the Scheme Administrator will be advised of the date, venue and time for the hearing. The granting of any requests for postponement of the scheduled hearing date will be at the discretion of the Appeals Officer. A postponement of the hearing will be given in exceptional circumstances and only for substantial reasons. All requests must be made in writing as soon as possible to the Appeals Officer. The requesting party must give details of the reasons along with any relevant documentation.

Where an oral hearing is held, the Scheme Administrator will seek to ensure that a representative from the Scheme Administrator will be present. If an appellant or the Scheme Administrator does not attend a hearing, the Appeals Officer may, notwithstanding the absence of either party, proceed to make a decision based on the information and evidence available. The procedure at the hearing will be determined by the Appeals Officer. The Appeals Officer will ask questions and seek clarifications as may be appropriate. The final discretion as to the conduct of the hearing and the presence of any person rests with the Appeals Officer subject to fair procedures.

## **13.7 Decision of Appeals Officer**

The Appeals Officer will make a decision based on the qualifying conditions of the Scheme as set out in primary and secondary legislation, these guidelines, all of the evidence available and taking account of procedures prescribed by the Minister which s/he is obliged to follow.

The Appeals Officer appointed to consider an appeal will make a decision within 20 working days of the receipt of complete information relating to the appeal. The Appeals Officer may proceed to determine an appeal where information or documents not submitted with the appeal form are not received by the date specified by the Appeals Officer or where any documentation requested by him or her is not provided in the period specified. In circumstances where the appeal process includes an oral hearing, the Appeals Officer will make a decision within 20 working days of the oral hearing (subject to information being complete at that stage).

The decision by the Appeals Officer will either:

- a) confirm the decision which was the subject of the appeal,
- b) revoke that decision and replace it with such other decision as the Appeals Officer thinks appropriate, or
- c) refer the matter concerned back to the Scheme Administrator for reconsideration in accordance with directions from the Appeals Officer.

The Appeals Officer will send a copy of the relevant decision in writing to the appellant and the Scheme Administrator. The decision will detail the Appeals Officer's reasons for the relevant decision and may direct the Scheme Administrator as may be appropriate on how to implement the decision.

The Scheme Administrator must comply with a direction given to it by the Appeals Officer and shall notify the appellant in writing or by electronic means of the Scheme Administrator's compliance with the direction.

It is not open to the Appeals Officer to depart from the rules of the National Childcare Scheme as set out in the primary legislation, secondary legislation or the Scheme Guidelines in an individual case, regardless of individual or personal circumstances.

## **13.8 Appeal of Appeal Officer's decision**

The decision of the Appeals Officer is final and conclusive, but may be appealed to the High Court on a point of law.

Pending the outcome of an appeal on a point of law, any award of subsidy under the National Childcare Scheme will be based on the Appeals Officer's decision.

### **13.9 Complaint to the Ombudsman**

A person who considers that s/he has been unfairly treated in relation to the Scheme may make a complaint to the Ombudsman. A person may choose to refer a complaint to the Ombudsman notwithstanding that an appeal has been made in relation to a particular matter.

### **13.10 Quality assurance of the appeals process**

The Scheme Administrator will appoint an independent external person to review and report on the quality and consistency of the appeals process at such intervals as may be directed by the Minister<sup>41</sup>. The independent reviewer may also make recommendations as may be appropriate in relation to the operation of the appeals system, including in relation to engagement with continuous professional development and best practice. The Appeals Officers will be expected to engage and participate with the external reviewer and any recommendations, as appropriate.

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<sup>41</sup> The Minister may issue directions to the scheme administrator pursuant to section 5(1).

## 14. Sponsor Referrals

This chapter concerns sponsor referrals to the Scheme. These are special arrangements whereby designated bodies can refer a child to the Scheme where childcare is needed on child welfare, child protection, family support or other specified grounds. Section 14.1 provides a brief overview of sponsor referral arrangements, while section 14.2 lists the specified bodies who may make sponsor referrals and the purpose for which they may make referrals. Section 14.3 describes the referral process and section 14.4 deals with how referrals are submitted to the Scheme Administrator. Sections 14.5 to 14.7 concern the issues of choice of childcare service provider (14.5), application of attendance rules (14.6) and renewal of sponsored referrals (14.7) respectively. Section 14.8 concludes by considering the interaction of sponsored referrals and non-sponsored applications.

### 14.1 Overview

There are families with high levels of need for whom childcare is required on child welfare or child protection grounds or for whom childcare is a necessary element of family support. In such cases, arrangements can be made whereby a specified statutory body (“sponsor body”) refers a child to the Scheme for childcare support.

Where a referral is made by a sponsor body, the family will automatically qualify for a subsidy without having to satisfy the Scheme’s eligibility, income or enhanced hours requirements. There is also no general minimum or maximum age limit for a child who is the subject of a referral by a sponsor. However, formal agreements between the Minister and the sponsor bodies contain strict criteria for qualification for a referral by the body and include the ages of children who may be referred. When making a referral, the sponsor body will recommend the hours of childcare needed in each case. The Scheme Administrator will pay a subsidy based on those hours of care multiplied by a set “sponsor” subsidy rate. Parents will not pay a contribution towards the cost of the childcare fees in the case of a sponsored referral.

### 14.2 Relevant statutory bodies

The following designated statutory bodies may make referrals for childcare support under the Scheme, for the purposes specified below. Formal agreements between each of the bodies and the Minister for Children and Youth Affairs provide the legal basis for referrals and govern the detail of referral procedures.

1. **Minister for Education and Skills** to support parents under the age of 18 years to remain in education or training through access to childcare services.

2. **Minister for Justice and Equality** to facilitate access to childcare services for applicants within the meaning of section 2 of the International Protection Act 2015 and programme refugees within the meaning of section 59 of the International Protection Act 2015, so that parents or children can access education, integration and other relevant supports.
3. **Child and Family Agency** to enable participation in a childcare service as part of the provision of child care and family support services by the Child and Family Agency to promote the welfare of children who are in need of additional care or protection.
4. **HSE** to enable participation in a childcare service where there is an identified need for childcare as an additional support to the home environment to meet child development needs for a child who is under the age of 4 years and who is not enrolled in a pre-school programme funded by the Minister or the Minister for Education and Skills and who would otherwise not attend a childcare service.
5. **Local authorities** to support families who are homeless<sup>42</sup> or moving out of homelessness, to access childcare services.

### 14.3 Referral process

The sponsor referral process is as follows.

#### Referral form

A referral is initiated by a sponsor body by completing a sponsor referral form (using only the official form, to be stamped with the referring body's official stamp). The referral form will include basic information necessary for a referral to be made, including:

- child and parent information - name, date of birth and PPSN,
- amount of childcare recommended (i.e. the total number of hours inclusive of educational stage school hours in term time and non-term time),
- duration of referral (i.e. total number of weeks),
- current and next educational stage of child,
- the referral officer details and the designated contact person details, as appropriate.

A referral form must be completed by a referral officer (see below). The referral officer may be a different person to the designated contact and this will be set out in the agreement between the Minister and the relevant sponsor body.

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<sup>42</sup> Within the meaning of the Housing Act 1988

### **Referral officer and designated contact**

Each sponsor body will designate referral officers who are authorised to make sponsored referrals to the Scheme for a childcare subsidy.

Sponsor bodies will also appoint a small number of designated contacts who are the officials designated by the sponsor body to transmit the sponsor referral to the Scheme Administrator. Communications between the Scheme Administrator and the sponsor body regarding the referrals will be with the designated contact.

### **Age and amount of childcare**

Each sponsor agreement will specify any rules in relation to the ages of children whom the sponsor will refer and the amount of childcare they will recommend (e.g. number of hours per week, and number of weeks). These rules vary by sponsor depending on the specific needs of the children the sponsor will be referring. Within sponsor agreements, provision is also made for referrals of particular cohorts of children only or different cohorts, depending on the sponsor.

In general, sponsor referrals should be for a period of 12 months maximum, but may allow up to 60 weeks in certain cases (e.g. to allow a child to complete the academic year or up to the nearest natural break in the academic year, (e.g. Christmas or Easter) and to accommodate certain sponsor body referrals where there is a requirement for a longer sponsorship arrangement.

## **14.4 Referral process**

A sponsored referral may be made in one of two ways:

### **1) *Application made by parent (Parental Sponsor Application)***

In this case, the parent is given the referral letter by the sponsor. The parent uses the Parent Portal to upload the referral form by selecting 'Sponsored Referral'. Alternatively, the parent may choose to post the referral letter to the Scheme Administrator in order to submit their sponsored referral.

Once the Scheme Administrator receives the referral letter, they will manually check that the referral letter is complete. The Scheme Administrator contacts the parent to inform them to check the Parent Portal for the award details and the CHICK. If the parent has submitted the referral by post, the award details will be sent by post to the parent.

The parent then takes the CHICK to a childcare service provider and the provider uploads the details of the CHICK and the registered hours. The Scheme Administrator will approve the registration details based on the referral form. Subsidies are payable from the start date

registered by the childcare service provider. As the Scheme's systems are developed to operate on a weekly basis payment will be made for the week regardless of what day the registration is made.

## 2) ***Application made directly to the Scheme Administrator (Direct Sponsor Referral)***

In this case, a designated contact of the sponsor body sends the referral letter directly to the Scheme Administrator by post. The Scheme Administrator checks that the sponsor referral is complete and uses the information to create an NCS sponsor application. An award and CHICK is generated.

The details of the approved award (including the CHICK) are communicated to the designated contact of the sponsor body. The parent, or the sponsor body (with the parent's agreement), may contact a provider to register the childcare hours using the CHICK. (In some instances, the sponsor body may specify that the parent may only register the child with a particular provider.)

The provider completes the registration on the Provider Portal and the payment proceeds.

### **14.5 Choice of childcare service provider**

Unless otherwise specified by the sponsor in the referral letter, a parent who benefits from a sponsored referral may use the CHICK to register the child with any approved provider under the Scheme.

Where a sponsor body chooses to specify the providers to which they will refer children, they must inform the parent of the selected childcare service provider and nominate the provider on the referral form<sup>43</sup>. In this instance, the Scheme Administrator will ensure that the award can only be registered by the intended provider.

The Minister for Children and Youth Affairs and the Scheme Administrator will have no involvement in relation to restricting the providers to whom children may be referred. Where this arises, it will be a matter solely for the relevant sponsor body.

### **14.6 Attendance rules/compliance**

The attendance of a sponsored child should be monitored and reported by a childcare service provider through the Provider Portal in the same manner as all other NCS registered children.

While information on under-attendance of sponsored children may be provided to the sponsor for their information and any appropriate follow-up, it will not result in a reduced payment.

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<sup>43</sup> Where a specific childcare service provider is selected, the referral will be made directly by the sponsor body.

Where a sponsored child is absent for a continuous period of more than 4 weeks, the Scheme Administrator will inform the sponsor of the ongoing period of non-attendance for their information and action, as appropriate. Subsidy payments in respect of sponsored registrations will be maintained until:

- the end date of the sponsored award; or
- the sponsor confirms the sponsored childcare requirement has ceased and the sponsored referral should stop; or
- the parent ends the current sponsored registration. The parent may choose to end the sponsored registration as s/he wishes to make a standard, non-sponsored, application; or
- there is non-attendance by a child over 12 consecutive weeks.

At any time, or on receipt of information relating to an under-attendance or absence, the sponsor body may, at its discretion, choose to submit a new referral with fewer hours than the initial referral and the new referral will replace the existing referral. A new CHICK for the revised hours will be issued by the Scheme Administrator and the sponsor/parent may proceed to register the revised hours with a childcare service provider.

## 14.7 Renewal process

For all sponsored referrals, the sponsor referral form will include a start date and an end date, which will be reflected in the award given by the Scheme Administrator and communicated to the childcare service provider through the CHICK.

In advance of the expiration of the sponsored referral, a notice will go to the designated contact person (parent or sponsor body), as recorded on the referral form, indicating the date on which the sponsored referral will expire. The notice will be sent by the Scheme Administrator at least 40 working days before the expiry of the sponsored referral. The childcare service provider will also be notified of the expiry of the referral by the Scheme Administrator.

Where a sponsor referral is due to expire, and the parent is the designated contact, the parent must contact the sponsor to request a new sponsor referral, if appropriate. The parent must then follow the same process for a sponsor referral by either uploading the referral form on the Parent Portal or posting it to the Scheme Administrator. Where the designated contact person is the sponsor, the sponsor is responsible for submission of a new referral, where appropriate, directly to the Scheme Administrator.

If the sponsor decides that a referral for sponsored childcare is no longer necessary, then they must make reasonable efforts to confirm to the parent within 20 working days of the end date of the existing sponsor referral that they will not be making a new referral in respect of a child. This will allow the parent to apply to the National Childcare Scheme for their own, non-

sponsored subsidy. The parent will be able to submit an application on the Parent Portal in advance of the sponsor referral end date.

## **14.8 Interaction of sponsored and non-sponsored applications**

Where a child is subject to shared care arrangements (e.g. in the case of separated parents), the child can benefit from sponsorship in relation to one parent and a normal Scheme subsidy in relation to the other parent. A parent can also benefit from a sponsored subsidy in relation to one child, and a standard Scheme subsidy in relation to other children. However, a parent is not permitted to receive both sponsored and non-sponsored support in relation to any one child.

In the case of a Direct Sponsor Referral, the child and parents' details must be on the form. This will allow the Scheme Administrator to recognise if there is a conflicting application in the system for the same child from the sponsored parent. The sponsored referral takes precedence over a parental application (i.e. if a child is already registered for childcare and is then given a sponsored referral, the original claim is stopped and the sponsored award takes its place).

## 15. Governance and Compliance

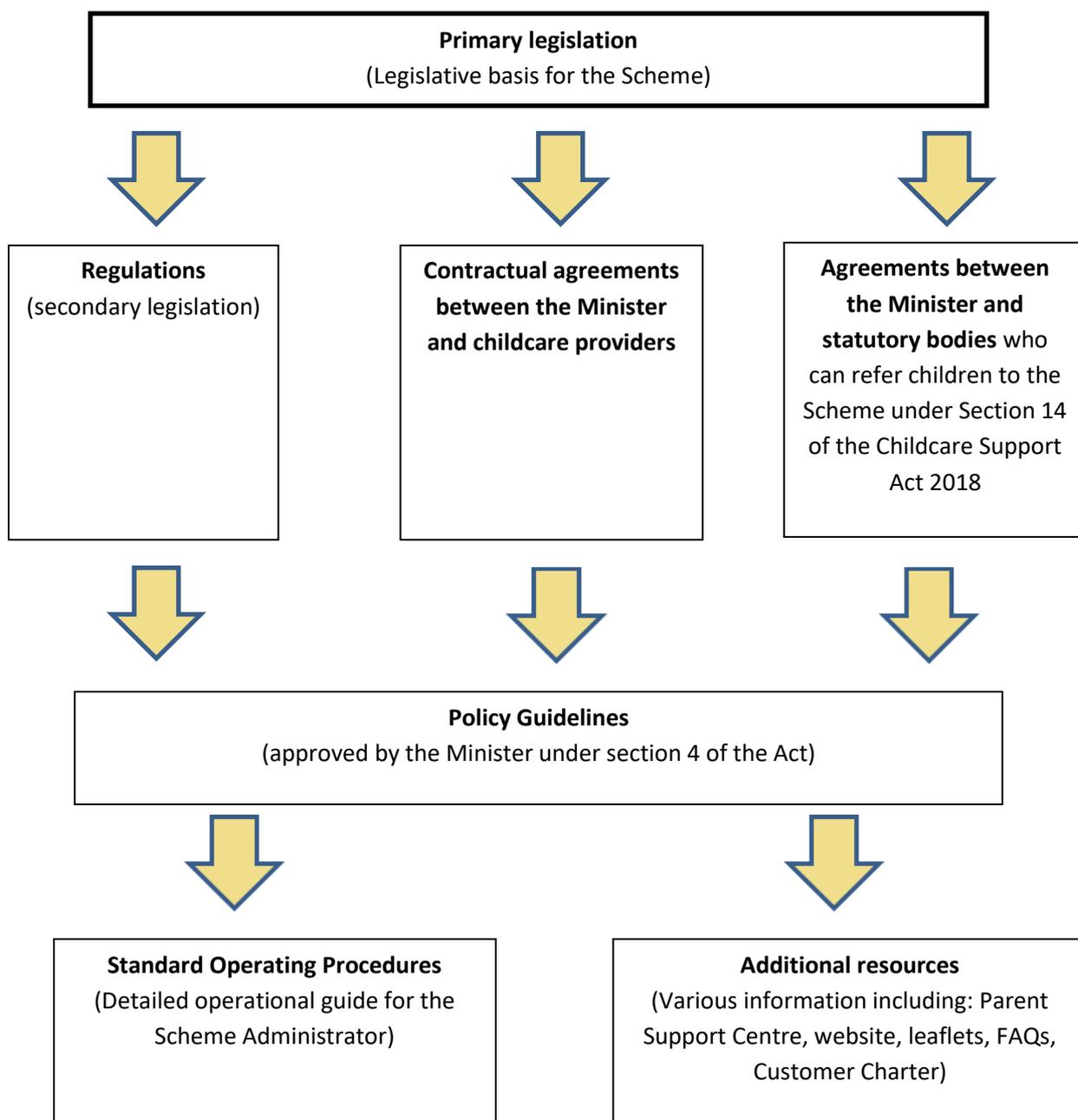
This chapter describes the overall governance framework for the National Childcare Scheme.

Section 15.1 recalls the legal framework for the scheme, while section 15.2 summarises key roles, responsibilities and internal controls in relation to governance and administration of the scheme. Section 15.3 describes the overarching governance approach. Sections 15.4 and 15.5 then set out the governance and compliance arrangements which apply in the case of childcare service providers and scheme applicants respectively. Section 15.6 briefly sets out the communications, training and other resources which are being established to support good governance across the Early Years sector. Section 15.7 concludes by considering compliance monitoring, review and evaluation requirements in relation to the scheme.

### 15.1 Overarching legal framework

As noted in section 1 of these guidelines, the Childcare Support Act 2018 and associated regulations provide the legislative basis for the Scheme. The other key governance documents for the Scheme are:

- (a) the formal designation of the Scheme Administrator by the Minister and the supporting Performance Delivery Agreement,
- (b) the agreements between the Minister and childcare service providers who have chosen to participate in the Scheme, and
- (c) the agreements between the Minister and the public bodies who can refer children to the Scheme where childcare support is needed for child development, child welfare or other specified reasons (“sponsorship agreements”).



### **Primary and secondary legislation**

The Childcare Support Act 2018 establishes the Scheme. It creates an entitlement to financial support towards the cost of childcare for qualifying applicants, setting out the conditions and key parameters in relation to qualifying for financial support and in relation to the overall operation of the scheme. Regulations made under the Act further define these key conditions and parameters by setting out the detailed rules covering various aspects of the Scheme.

The Act provides for the appointment by the Minister of a Scheme Administrator to administer the National Childcare Scheme subject to such conditions as the Minister may set out in the appointment.

Section 5 of the Act specifically concerns scheme governance. It provides that the Minister may issue directions to the Scheme Administrator in relation to the Scheme and the Scheme Administrator must comply with any such directions. It also stipulates that the Minister shall periodically appoint persons to carry out inspections, reviews and audits in relation to the performance of the Scheme Administrator in operating the scheme.

### **Formal appointment of Scheme Administrator and Service Level Agreement**

Pobal was formally appointed as the Scheme Administrator on 8th April 2019. The conditions attached to this formal appointment are set out in a comprehensive National Childcare Scheme Performance Delivery Agreement which defines each party's respective roles and responsibilities in relation to the administration of the Scheme. The Agreement also prescribes the governance structure for ongoing control and oversight of the Scheme.

The National Childcare Scheme Performance Delivery Agreement serves as an appendix to an overarching Service Level Agreement between the Department of Children and Youth Affairs and Pobal<sup>44</sup>. Both agreements are multi-annual in nature but are subject to annual review, with either party retaining the right to recommend ad hoc reviews as appropriate and required.

### **Parental entitlements**

The Childcare Support Act 2018 and regulations made thereunder set out in detail the circumstances in which persons are entitled to apply for financial support, to avail of financial support and to continue to receive such support. Scheme information and communications with applicants will clearly set out the conditions under which financial support is provided and the applicant's responsibilities in respect of information provided to the Scheme Administrator. The parent will have a duty to make themselves aware of these conditions and to adhere to their responsibilities in terms of information provided to the Scheme Administrator, notification of changes in circumstances, attendance rules etc. When submitting an application, parents will be required to acknowledge and agree to these conditions.

### **Service provider contracts**

In order for a childcare service provider to participate in the Scheme, the Childcare Support Act 2018 requires that an agreement (contract) be in place between the Minister and the provider. It also sets out the matters that may be specified in the contract.

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<sup>44</sup> The overarching agreement relates to the delivery by Pobal of a wide range of services to the Department of Children and Youth Affairs in accordance with the Programme of Work which is agreed annually. Each individual programme operated by Pobal on behalf of the DCYA should then have its own separate performance delivery agreement which acts as an appendix to the overarching SLA.

## 15.2 Roles, responsibilities and internal controls

### Summary of key roles and responsibilities

The Department of Children and Youth Affairs is the parent department responsible for the National Childcare Scheme policy, legislation, contractual agreements, financing, oversight and evaluation.

The responsibilities of the DCYA, on behalf of the Minister, include:

- Agreeing the financial resources required for the operation of the Scheme, including administration costs
- Appointing the Scheme Administrator
- Issuing directions to the Scheme Administrator in respect of the scheme
- Reviewing the performance by the Scheme Administrator of its functions under the Act
- Approving the appointment of outsourced providers
- Entering into agreements with sponsors
- Consenting to the appointment of authorised officers
- Consenting to the appointment of Appeals Officers
- Making regulations under the Childcare Support Act 2018
- Conducting a formal review of the Scheme after the first year of operation
- Undertaking an evaluation of the Scheme after three full years of operation

Pobal, as Scheme Administrator, has responsibility for the Scheme's implementation, including day-to-day management of the Scheme's operation in accordance with policy, legislation and Ministerial directions. This includes management and delivery of:

- A Parent Support Centre
- the Scheme's supporting IT infrastructure
- the Scheme's application, award and registration processes
- subsidy payments, including recoupment of overpayments from both providers and parents
- scheme review and appeal mechanisms
- service provider onboarding, contracting and general support processes,
- quality control processes
- compliance function (service provider compliance and applicant validation)
- estimation of resource requirements
- meeting DCYA management information requirements

The Scheme Administrator has a duty to report to the Department on a regular basis in relation to the operation of the Scheme, providing sufficient information to effectively monitor the scheme, and to assist in the review and evaluation of the scheme, in line with the National Childcare Scheme Monitoring and Evaluation Framework.

A detailed description of the roles and responsibilities of the Department and Pobal is set out in the National Childcare Scheme Performance Delivery Agreement referenced above.

### **National Childcare Scheme Oversight Group**

For the first twelve months of its operation, the Department will chair a dedicated National Childcare Scheme Oversight Group which will comprise senior representatives of the Department and Pobal. The role of the Oversight Group will be to provide a vehicle for dedicated, detailed and active oversight and governance of the management and administration of the scheme.

Governance structures will be reviewed after twelve months to assess whether a dedicated oversight group should remain in place or whether overall governance should be subsumed into the existing strategic management and oversight structures which are in place between the Department and Pobal in respect of Early Years services.

### **Internal controls**

Both the Department and Pobal will ensure that strong internal controls are in place within each organisation to support robust governance of the scheme.

In the case of the Department, there will be clear responsibility at unit level for day-to-day oversight of the Scheme, with strong oversight at Management Board level and by the National Childcare Scheme Oversight Group. There will be a unit-level Risk Management Register which will be subject to oversight by the Department's Risk Management Committee via a quarterly reporting system, and which will inform the Departmental Corporate Risk Register as appropriate.

As part of its work programme, DCYA's Internal Audit Unit will periodically review unit-level procedures and processes in relation to governance of the Scheme to ensure that these are adequately designed and effectively implemented.

In the case of Pobal, its Board of Directors has overall responsibility for ensuring that an effective system of internal control is maintained, operated and monitored. This responsibility takes into account the requirements of the Code of Practice for the Governance of State Bodies (2016).

To ensure that the internal controls are in compliance with legislation and regulations, Pobal's Board has established an organisational structure with clear operating and reporting procedures, lines of responsibility, authorisation limits, segregation of duties and delegated authorities. A comprehensive statement of Pobal's internal controls is provided in Pobal's statutory Annual Financial Statements and Directors Report included in Pobal's Annual Report<sup>45</sup>.

An Internal Audit Plan is approved by the Audit, Finance and Risk Sub-Committee of the Pobal Board annually and, amongst others, is influenced by the corporate risks identified in

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<sup>45</sup> For example the 2017 Annual Financial Statement on Internal Control covers: 1. Scope of responsibility and purpose of the system of internal control, 2. Arrangements with funders, 3. Control of funding allocations and payments, 4. Review, monitoring and compliance, 5. Inspection and audit, 6. Risk management, 7. Procurement and 8. Review of effectiveness.

the Pobal Corporate Risk Register, the requirements of the Comptroller and Auditor General, and developments and issues in relation to corporate governance.

### 15.3 Overarching governance approach

The National Childcare Scheme's overall governance approach is informed by its fundamental nature and purpose as a system of parental subsidies. The Scheme does not provide grants to childcare providers in respect of their general operation. Rather, **it subsidises parents in respect of the cost of their childcare, subject to confirmation that childcare services are being provided and used.**

The governance approach also recognises and takes account of the broader context of a childcare sector which is characterised as a market comprising both private 'for profit' and 'not for profit' providers, many of whom are small or single-person operators, as well as a stated policy commitment to bringing many more childminders into the ambit of the scheme in the years ahead.

#### **Governance by design - key overarching governance features**

The Department of Children and Youth Affairs has been concerned to develop a robust and proportionate governance framework for the National Childcare Scheme which applies the spirit and principles of the Department of Public Expenditure and Reform Circular 13/14 "Management of and Accountability for Grants from Exchequer Funds" in an appropriate and meaningful manner, thereby providing strong assurance in relation to effective management of public funds while also supporting accessibility. A key principle in this regard has been to 'design in' good governance from the outset. Key approaches and features intended to achieve this are as follows:

Firstly, the Scheme is set out **in statute with clear, unambiguous entitlements**. The rules in relation to qualifying for a childcare subsidy and the calculation of the amount of that subsidy is stipulated in primary and secondary legislation, leaving effectively no discretion or 'grey areas' for determination by the Scheme Administrator. Similarly, the rules in relation to attendance and payment of subsidies are set down in regulation under section 15 of the Childcare Support Act 2018.

Secondly, under the Scheme, a subsidy is provided to a parent in respect of a **named child**, albeit that it is paid on the parent's behalf to a childcare provider of their choosing. The parent applies directly to the Scheme Administrator for the subsidy and, following the **separate** registration of the child by the chosen service provider, the parent is then asked to **confirm** that their child is registered for the hours of childcare recorded by the provider. In confirming these hours of childcare, the parent will be conscious of the fact that they will be required to meet the difference between the subsidy and the agreed fee for the hours of childcare used. The parent will also renew their application for a subsidy on a periodic basis and will be asked to also confirm any changes to their hours of childcare as registered on the system from time to time by the provider. As such, **effective governance mechanisms ('checks and balances') are designed into the system from the outset**, including (i) the provision of payments in respect of specific, named children, (ii) separate application and

registration processes, (iii) separate validation of registered hours by parents and providers and (iv) post-payment compliance process for childcare providers and applicants.

Thirdly, as the Scheme involves a subsidy to a parent rather than a grant to a provider, the key requirement for the Scheme Administrator is the confirmation that a childcare service is being delivered and actively utilised. This requirement is met via the Scheme's regular reporting mechanism, whereby providers must complete **weekly returns, confirming that all subsidised children continue to attend their service in line with their registered hours and notifying the administrator of any absences or departures**. This reporting return establishes a proactive certification system within the Scheme which is explicitly linked to payment of subsidies (the reporting return is both a precondition for payment and forms the basis on which the payment is calculated). The mechanism stands *in addition* to existing compliance checks, supplementing and strengthening them, rather than replacing them.

Fourth, subsidy payments will be made **in arrears**, i.e. the payment will issue once the provider has submitted the weekly return confirming that the named child availed of the agreed childcare place<sup>46</sup>. Payments will also be subject to **tax compliance**. This requirement is met by stipulating tax compliance as a pre-condition of contract and continuing tax compliance as a condition of payment.

Fifth, payments are based on **standard national subsidy rates as set down in statute**. As such, they are not linked to the underlying general operating costs of the service and there is, therefore, a lower level of risk and financial exposure for the State.

Sixth, childcare providers who wish to participate in the Scheme enter into a **formal agreement with the Minister** under section 8 of the Childcare Support Act 2018 which sets out the terms and conditions associated with participation. These terms and conditions include requirements in relation to service provision, financial governance, and general record-keeping and reporting obligations.

A statutory pre-condition for entering into an agreement with the Minister to participate in the National Childcare Scheme is that a provider must be **registered with Tusla**. As such, State assurance regarding the quality of the childcare services is designed into the fabric of the scheme from the outset.

Furthermore, as part of contractual conditions, providers will be required to complete and submit to the Scheme Administrator an **annual financial declaration** in which they confirm that (a) they have submitted their annual accounts for the financial year in line with CRO and Revenue deadlines, (b) they have clearly disclosed all funding provided by the Minister for Children and Youth Affairs for the purposes of the National Childcare Scheme as a discrete line item within their annual accounts, and (c) they have offset Scheme subsidies against published fees in full.

The provider's annual accounts must be submitted to the Scheme Administrator on request.

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<sup>46</sup> This confirmation involves reporting by exception, i.e. all the subsidised children must be registered on the system and, each week, the provider must certify whether there have been any departures or absences, providing details of the relevant children where applicable.

Finally, with regard to monitoring, compliance and enforcement, the primary legislation provides for formal reviews by the Scheme Administrator and for **authorised officers** with powers to enter childcare premises and remove books and records<sup>47</sup>. It also provides for the **recovery of financial support** procured through overpayment, fraud or misrepresentation<sup>48</sup>, as well as including standard provisions in relation to offences committed under the Act<sup>49</sup>. These legislative provisions will underpin the development and implementation of a comprehensive system of risk-based profiling and compliance checks of providers (see 15.4 below) and a system of validation checks in respect of self-declared information provided by applicants (see 15.5 below).

## 15.4 Governance arrangements for providers

### Legal requirements

In order to participate in the National Childcare Scheme, a childcare service provider must be registered with Tusla, the Child and Family Agency. A registered provider of a pre-school service must comply with the Child Care Act 1991 (Early Years Services) Regulations 2016, and a registered provider of a school age service must comply with the Child Care Act 1991 (Registration of School Age Services) Regulations 2018. Tusla has statutory responsibility for enforcing and executing these Regulations.

### Contractual requirements

A service provider wishing to participate in the National Childcare Scheme must enter into a contractual agreement with the Minister under section 8 of the Childcare Support Act 2018. A comprehensive Explanatory Guide to the current National Childcare Scheme contract may be found on [ncs.gov.ie](http://ncs.gov.ie).

### Compliance Process

Authorised officers appointed by the Scheme Administrator will make on-site visits to childcare facilities to confirm that service providers are complying with the rules on attendance and financial reporting. Under the Childcare Support Act 2018, these officers have the powers to enter childcare premises<sup>50</sup>, inspect and take copies of any books, records or other documents relating to the operation of the service, and require any person on the premises to answer such questions as the authorised officer may ask relative to any matter under the Act.

A service provider who refuses to facilitate an authorised officer in the course of his or her functions will be guilty of an offence under the Act.

In the course of the visit, the officers will be checking the following:

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<sup>47</sup> Sections 18 and 19 of the Childcare Support Act 2018 refer.

<sup>48</sup> Section 21 of the legislation allows the scheme administrator to recover financial support payments on demand, as a simple contract debt in any court of competent jurisdiction or by reducing the amount of financial support payable until the excess payments have been recovered.

<sup>49</sup> Section 29 of the Childcare Support Act 2018 refers.

<sup>50</sup> With the consent of the provider, or – where necessary – pursuant to a warrant issued by the District Court.

- ✓ That the service's fees list, service calendar and opening hours are on display in the service in the required format and location
- ✓ That adequate daily attendance records are maintained in the required format and are available for checking
- ✓ That each child's registration details and any departure, absence or under-attendance have been accurately recorded on the Early Years Platform, and that the recorded attendance patterns reflect the information contained in the local attendance records<sup>51</sup>
- ✓ That the NCS subsidies have been applied correctly against the published fees having regard to each applicant's claimed weekly subsidy and the agreement in place between the applicant and the provider.

### **Outcome of compliance visits**

A report made by an authorised officer of the Scheme Administrator consequent on a compliance visit will be made under section 17 of the Act and is, therefore, treated as a review initiated by the Scheme Administrator.

Where an authorised officer finds a provider to be non-compliant in respect of any of the regulatory or contractual requirements, the Scheme Administrator shall take the following steps:

- (a) It shall issue a formal notification to the provider instructing them to correct the issue in question, setting out a timeframe for this correction ('notified timeframe') and setting out the consequences of future findings of non-compliance. This will necessitate notifications under section 17 to both parents and providers.
- (b) It shall follow up at the notified timeframe to establish whether the issue has been corrected.
- (c) Where the correction has not been made, it shall adjust the subsidy payable to the provider to reclaim any overpayment arising on foot of the non-compliance findings and to prevent overpayment going forward, i.e. having given an advance notice period in line with the legislation, the scheme administrator shall unilaterally make the correction.
- (d) Where the provider did not take all reasonable steps to address the issue by the notified timeframe, the Programme Support Payment shall be withdrawn.
- (e) It shall note the outcome of the compliance visit on the provider's risk-based compliance profile and use the outcome to inform adjustments to the provider's compliance score.
- (f) Subject to any appeal which may be lodged by a provider using the appeals process, the Scheme Administrator may refer the matter to the Minister for prosecution where the provider is suspected of committing an offence under the Act, including procuring financial support through suspected fraud or misrepresentation.

The Scheme Administrator may offer the provider access to training and support if considered necessary.

In cases where the infringement relates to a failure to maintain attendance records, this is regarded as non-attendance. This is consistent with the approach of paying based on

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<sup>51</sup> The rules on what constitutes an absence or under-attendance are set out in regulation and are also explained in chapter 8 of these guidelines.

certified attendance which, in turn, derives from the local attendance records. As such, where there is a failure to maintain records, the notification referenced at (a) above shall advise that, unless records are maintained in the required format with immediate effect, subsidies shall be discontinued 20 working days after the date of the notice. As per (d) above, this notification shall be followed by a further check by the authorised officer to establish whether the issue has been adequately rectified or whether subsidies need to be discontinued.

Similarly, where records are not maintained in the required format (e.g. ticks rather than times against the child's name), the notification referenced at (a) above shall advise that, unless records are maintained in the required format with immediate effect, attendance denoted by ticks will be deemed as minimum attendance of one hour per day and an adjustment will be made by the Scheme Administrator 20 working days after the date of the notice.<sup>52</sup>

The service provider may appeal against the finding of the review. If the appeal is successful, any debit adjustment to subsidy payments will be reversed.

### **Sanctions for non-compliance**

In all cases, (except where the review decision has been reversed on appeal), a finding of non-compliance will inform the provider's risk-based compliance profile.

Where a provider has been formally notified of an infringement and has failed to take all reasonable steps to correct that infringement within the notified timeframe, then the provider's Programme Support Payment will be permanently withheld/ withdrawn by way of sanction for the programme year.

In the case of infringements of a very serious nature, a provider's contract may be withdrawn. The circumstances in which this may occur are:

- (a) In cases of fraud.
- (b) In cases where there are three or more repeated instances of infringements which have a significant, material impact on Exchequer funds. This includes a failure to maintain records in the required form given the relationship between attendance and payment of subsidy.

## **15.5 Governance arrangements for parents/guardians**

### **Legal basis for entitlement**

As noted in section 15.1, the Childcare Support Act 2018, and associated regulations, set out the circumstances in which parents will be entitled to apply for a subsidy, will receive a subsidy award and will be entitled to receive a subsidy payment on foot of that award. The

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<sup>52</sup> Again, an authorised officer will be required to carry out another site visit to confirm that records are now being appropriately maintained.

Act also sets out the particular changes in circumstances which must be notified to the Scheme Administrator.

Applicants who knowingly or recklessly provide false or misleading information to the Scheme Administrator, or who fail to notify the Scheme Administrator of changes in circumstances where required to do so, will be guilty of an offence. While the Scheme is designed so that the majority of income information provided as part of an application will be obtained and validated through automatic data feeds from Revenue and the Department of Employment and Social Protection, some application information is self-declared. Validation checks will be carried out in relation to all self-declared information on a sample basis.

### **MyGovID**

MyGovID is an online identity authentication system which enables people to access a range of Government services. Online applicants for the Scheme must use MyGovID to make an application. From the end of January 2020 applicants may also apply for the scheme by post, in the course of which their identity will be confirmed using hard copy documents.

The policy relating to MyGovID rests jointly with the OGCIO and the Department of Employment Affairs and Social Protection, with the latter responsible for the technical implementation of MyGovID.

### **Applicant validation checks**

Sample validation checks will be carried out by the Scheme Administrator in relation to the following self-declared information:

- a) Eligibility to apply for a subsidy (residence requirement)
- b) Relationship to child (proof of “in loco parentis” status)
- c) Work/study status
- d) Unavailability to care for children
- e) Self-declared income (Form 12 income, maintenance payments)

Sponsored applications will not be subject to applicant validation checks.

#### **(a) Eligibility to apply for a subsidy**

Applicants may be asked at any time to produce evidence that they are eligible to apply for a subsidy, i.e. that they satisfy the statutory “residence requirement”.

#### **(b) Relationship to child/in loco parentis**

All applications will be checked against the DEASP Child Benefit database to confirm that the applicant, or the applicant’s partner, is in receipt of Child Benefit for the child who is the subject of the subsidy. Where this is not the case, applicants may be selected for a validation check to confirm that they are acting “in loco parentis” to the child.

**(c) Work/Study status**

Validations under this heading will be carried out to ascertain whether the applicant is entitled to enhanced (as opposed to standard) hours of subsidised childcare by reason of being in employment, in self-employment, in education or in training.

Where an applicant declared that they or their partner are employed, they may be asked to submit a copy of a current payslip which indicates the employer's details or a letter from their employer confirming that the applicant is currently employed by them.

Where an applicant declared that they or their partner are self-employed, they may be asked to provide evidence of self-employment.

Finally, where applicants declared that they or their partner are engaged in education or training, they may be asked to submit a statement from the education/training provider confirming that the applicant/partner is registered on an approved education/training course. A template form will be used for this purpose.

**(d) Unavailability to care for the child**

Applicants who indicated on the application form that they or their partner were unavailable to care for their child may be requested to provide proof of unavailability as set out in section 5.2.3.

It should be noted that the evidence needs to relate to the time of application only and does not need to continue throughout the award.

**(e) Self-declared income and maintenance payments**

This category of validation checks comprises two parts: applicants who self-declared Form 12 income and applicants who self-declared maintenance payments.

Applicants who declared Form 12 Income on the application form may be asked to submit a copy of the Form 12. The details on the Form 12 will be checked against the information given on the application form. If there is a significant discrepancy (i.e. one large enough to affect the subsidy that has been awarded), the income assessment will be re-calculated and the award amended, with any associated overpayment calculated.

Where applicants declared on the application form that they are making maintenance payments, they may be asked to submit evidence of the amount of maintenance being paid. This evidence should be in the form of bank statements, or other official receipts, covering at least three such payments (to demonstrate that the payments are on-going).

The evidence supplied will be checked against the information declared on the application form. If there is a significant discrepancy (i.e. one large enough to affect the subsidy that has been awarded), the income assessment will be re-calculated and the award amended, with any associated overpayment calculated.

**Validation Process**

The validation process will be undertaken under section 17 of the Childcare Support Act 2018 and will, therefore, constitute a review in legal terms. It will involve the following steps:

- (i) case-list generation (i.e. setting the parameters for validation checks and identifying cases to be validated),
- (ii) requesting documentary evidence from applicant and reviewing same,
- (iii) taking follow-up action where it is found that the applicant has provided incorrect information, and
- (iv) taking follow-up action where the applicant fails to respond to the validation request.

In all cases where an award is reduced or ceased on foot of a validation check, the applicant will have the right to appeal the decision.

### **Calculation and recoupment of overpayments**

Section 21 of the Act provides that:

*(1) Where it comes to the knowledge of the scheme administrator that-*

- (a) all or part of the payment of financial support in respect of a child has been procured through fraud or misrepresentation, or*
- (b) there has been an overpayment of financial support in respect of a child,*

*then the amount of that financial support so procured, or of that overpayment, as the case may be, shall be repayable to the scheme administrator on demand and, if not so repaid, the scheme administrator may recover the amount, as a simple contract debt in any court of competent jurisdiction from the person to whom the overpayment was made.*

*(2) Without prejudice to the rights of the scheme administrator under subsection (1), the scheme administrator may reduce the amount of financial support which would be payable under the Scheme in relation to one or more children until the total of the excess payments has been recovered by the scheme administrator.*

*(3) Where an excess amount of financial support has been paid in respect of a child by reason of the fraud or misrepresentation of a parent of the child the subject of the application, such excess shall be payable by the parent to the scheme administrator and if not so paid, may be recovered from the parent as a simple contract debt in any court of competent jurisdiction.*

All overpayments will be pursued by the Scheme Administrator in line with these provisions.

Where the Scheme Administrator determines that an overpayment of a subsidy has occurred, it shall calculate the amount of the overpayment and notify the applicant of same via the Parent Portal (or by post). It shall seek the immediate repayment of the amount overpaid from the applicant, i.e. repayment on demand, and will provide details for how this can be done, as well as a deadline within which to respond to the notification.

As a separate process to the recovery of overpayments, where a person knowingly or recklessly provides the Scheme Administrator with false or misleading information, this may amount to an offence attracting a fine and imprisonment on conviction. The Scheme Administrator will establish procedures for the referral to the Garda Síochána of any matter where it considers that false or misleading information may have been provided knowingly or recklessly. Summary proceedings for an offence may be prosecuted by the Minister.

#### **Referral of renewal applications and future claims for manual assessment**

In cases where an applicant validation finds that the applicant misrepresented his or her income, work/training status etc., the applicant may be required to provide documents for manual assessment of his or her renewal or future claim.

#### **Information for applicants in relation to their responsibilities**

All communications with applicants will note their responsibilities in respect of providing accurate information to the Scheme Administrator and notifying the Scheme Administrator of any changes in circumstances that arise. In particular, notifications arising from non-compliance with attendance rules will set out the consequences of continued non-compliance.

## **15.6 Communications, training and support**

The early years sector has experienced considerable change over the past decade, and, while many of the changes can be described as positive for the sector, the Department must be mindful of the fact that these changes can present a challenge to services, many of whom are small operators. The introduction of the National Childcare Scheme is another very significant change for service providers and for parents. However, once established, the scheme should bring benefits in terms of clarity and reduced administrative burden.

An NCS Communications and Engagement Strategy was published in February 2018 and is complemented by a comprehensive Training Strategy and underpinned by an Integrated Communications and Training Implementation Plan. On foot of these strategic documents, a major nationwide training programme was delivered in 2019 for Early Years Professionals and other key stakeholders. The training programme was designed to develop scheme knowledge and business systems competencies. To support the maximum number of participants in the most user-friendly manner, it was based on a “*blended learning*” approach, using a combination of:

- Face-to-face training
- “How-to” Guides and Videos
- E-Learning
- Webinars

Further advice, training and support, under the auspices of City and County Childcare Committees, will be available for providers on an ongoing basis.

Finally, a National Childcare Scheme Capital Grant was made available to participating providers in 2019 in order to obtain IT support to assist in meeting new governance requirements.

## **15.7 Compliance monitoring, review and evaluation**

### **Compliance monitoring**

The compliance programme for the Scheme will address compliance in a structured manner, based on an assessment of each provider's compliance risk profile. Profiles will be based on various elements of financial risk.

### **Monitoring, review and evaluation**

The National Childcare Scheme will be subject to formal review under section 26 of the Childcare Support Act 2018, twelve months after subsidy payments under the scheme commence. The findings and conclusions resulting from this review will be reported to each House of the Oireachtas.

A full evaluation of the Scheme will be conducted after three years of operation.

In order to support robust monitoring, review and evaluation, a Monitoring and Evaluation Framework for the Scheme has been developed and is appended to these guidelines.

## 16 Data Protection

This chapter outlines the data protection policies, procedures and other obligations required of those administering the National Childcare Scheme. Section 16.1 provides a brief overview of the legislative framework both in respect of data protection generally and in respect of data processing for the purposes of the National Childcare Scheme. Section 16.2 sets out the reasons for processing data under the Scheme (nature of data processing), while section 16.3 describes requirements in relation to maintaining records of processing activities. Section 16.4 outlines and explains the reasons for data sharing under the Scheme. Section 16.5 concerns the Scheme's privacy statements, while 16.6 deals with profiling. Section 16.7 notes requirements and policies in relation to a person's right to obtain a copy of their data free of charge (subject access requests). Section 16.8 and 16.9 describe requirements in relation to data retention and data breaches respectively. Section 16.10 confirms the position with regard to overseas transfer of data, while section 16.11 concludes by noting the role of DCYA and Pobal's data protection officers.

### 16.1. Introduction and overview

The operation of the National Childcare Scheme will result in the processing of the personal data of a range of data subjects, such as applicants, their children and, in some cases, service providers. Data subject rights are protected by the EU's General Data Protection Regulation (GDPR) which came into force on May 25<sup>th</sup> 2018, and both the Department of Children and Youth Affairs (DCYA), as Data Controller, and Pobal, as Data Processor, are required to abide by the Regulation. The Irish Government also enacted the Data Protection Act in 2018 to transpose the GDPR into Irish national law, and to give further effect to the GDPR in areas where Member States have flexibility.

The legal basis for the processing of applicant's data is set out in the Childcare Support Act 2018, read in conjunction with the Social Welfare Consolidation Act 2005.

### 16.2. Nature of data processing

#### 16.2.1. Personal data

An applicant's personal data may be processed for any of the following reasons:

- In order to effectively administer the National Childcare Scheme;
- In order to determine whether an applicant is eligible to apply for financial support;

- To verify the identity of an applicant, their partner and any children named in an application;
- To verify data that is received as part of an application, review, appeal, or an application supported by a sponsor body;
- To determine the amount of financial support which a person is qualified to receive;
- To assist in the processing of an application for financial support;
- To assist in the payment of financial support to childcare services providers;
- To verify that a child who is the subject of financial support is registered with a childcare service provider, and is continuing to attend the services, including the number of hours of such attendance;
- To verify that financial support is being offset against the childcare service provider's published fee by obtaining information on co-payments made by the parents of a child who is the subject of a subsidy award under the Scheme;
- To provide data to assist in a review or an appeal;
- To provide data to assist in the prosecution of an offence under the Childcare Support Act 2018.

Any additional data processing that may be considered in the future implementation of the Scheme will be examined in light of these relevant purposes and compliance with GDPR, in particular the principle of data minimisation.

### **16.2.2. Service provider's personal data**

The personal data of Service Providers may also be processed during the NCS contracting process (see chapter 7 in relation to on-boarding and contracting for service providers). This may include details of a provider's Primary Authorised User (PAU), as well as other details from which personal data can be inferred such as, in some cases, email addresses and business names, and in the case of sole traders, their PPSN (inferred from their Tax Registration Number, which is the same as their PPSN).

## **16.3. Record of processing activities**

Article 30 of GDPR requires Data Controllers and Data Processors to keep a Record of Processing Activities, which needs to be presented to the Data Protection Commissioner on demand. Both DCYA and Pobal will maintain centralised Records of Processing Activities, which will encompass the National Childcare Scheme Record of Processing Activities.

This log will contain the following with respect to DCYA as the Data Controller:

- The name and contact details of the controller and, where applicable, the joint controller, the controller's representative and the data protection officer;
- The purposes and lawful basis of the processing;
- A description of the categories of data subjects and of the categories of personal data;
- The categories of recipients to whom the personal data have been or will be disclosed including recipients in third countries or international organisations;
- Where applicable, transfers of personal data to a third country or an international organisation, including the identification of that third country or international organisation including the documentation of appropriate safeguards<sup>53</sup>;
- Where possible, the envisaged time limits for erasure or retention of the different categories of data;
- Where possible, a general description of the technical and organisational security measures involved in the security of the processing;
- Where applicable the existence of automated decision making, including profiling.

This log will contain the following with respect to Data Processors:

- the name and contact details of the processor or processors and of each controller on behalf of which the processor is acting, and, where applicable, of the controller's or the processor's representative, and the data protection officer;
- the categories of processing carried out on behalf of each controller;
- where applicable, transfers of personal data to a third country or an international organisation, including the identification of that third country or international organisation and the documentation of suitable safeguards<sup>54</sup>;
- where possible, a general description of the technical and organisational security measures involved in the security of the processing.

## 16.4. Data sharing

The National Childcare Scheme system will retrieve income data in respect of the applicant and any partner using data exchanges with both the Department of Employment Affairs and Social Protection (DEASP) and the Revenue Commissioners, in order to calculate an applicant's

<sup>53</sup> NCS data will never be transferred outside of the EEA.

<sup>54</sup> Ibid

income-related subsidy rate. The system may calculate the subsidy automatically using this income data or an administrator may view the income data retrieved using the data exchanges as part of a manual assessment process. In addition, personal data will be shared between DEASP and the National Childcare Scheme system when a user logs on using the MyGovID process.

The Childcare Support Act 2018 allows for the sharing of data with both DEASP and Revenue. Data Sharing Agreements are in place with both to govern the sharing of data with them.

Sponsor referral agreements made under section 14 of the Childcare Support Act 2018 will also include Data Sharing Agreements between the Minister and the relevant sponsor body.

## **16.5. Privacy statements and data transparency**

Under the GDPR principle of transparency, data subjects must be informed about the nature of the processing of their personal data at the point their data is collected.

A Privacy Statement (also known as a Fair Processing Notice) will be presented to applicants when they first log onto the National Childcare Scheme online application system. The Privacy Statement will inform the applicant as to what data is being processed, for what purpose it is being processed, with whom it is shared, and for how long it will be retained. Users will have to acknowledge that they have read and understood the terms of the Privacy Statement to proceed.

The Privacy Statement will be a living document insofar as it must be updated if the nature of the data processing changes or is updated. Applicants will also have to accept any changes to the Privacy Statements that occur. Apart from a first time log in, or updates to the Privacy Statement, applicants will not be presented with the Privacy Statement every time they visit the Parent Portal, but it will be available for reference with a link on the system should the applicant wish to view it.

Applicants applying using a paper application will be provided with a paper copy of the Privacy Statement, and they will have to sign a declaration that they have read and understood the terms of the Privacy Statement.

Where an applicant indicates that they have a partner, the partner will also receive a Privacy Statement from the Scheme Administrator. As part of the application process, the applicant will be asked to provide the PPSN and an email or postal address for their partner. On submitting the application, a notification will issue to the partner informing them of (a) the processing of their data under the Scheme, (b) their right to object to that processing and (c) the timeframe for any such objection. The application process will then pause in order to allow the partner time to object. Where the pause period elapses without any objection being raised, the processing of the application will then commence.

Finally, as the personal data of service providers may be processed on the Provider Portal, they will also be presented with a Privacy Statement upon first log in or following updates to the Privacy Statement.

In all cases, Privacy Statements will direct data subjects to the Data Protection policies of DCYA and Pobal.

## **16.6. Profiling**

The scheme is designed so that the majority of decisions on subsidy awards can be fully automated. This automated use of personal data to make a decision can be deemed to be 'profiling' under GDPR. GDPR requires that the data subject be informed that they are subject to profiling and given the option to opt out of this processing. The Privacy Statement will make it clear to the data subject that they may be subject to profiling, allowing them the option not to proceed further with the automated application. In this case, the applicant can choose to manually apply for the scheme instead.

## **16.7 Subject Access Requests**

Under GDPR, a data subject has the right to obtain, from the Data Controller, a copy of their data without being charged a fee. The request must be put in writing (by any media, e.g email, letter etc.). The data controller must respond to the request in full within 30 days of receipt of same. Reasons for failure to do so must be recorded, in order to mitigate potential corrective measures that may be taken by the Data Protection Commission.

The Data Processor should promptly notify the Data Controller in the event they receive a Subject Access Request. Data Processors must respond, without undue delay, to any request in relation to a Subject Access Request from a Data Controller.

Both DCYA and Pobal have put in place Subject Access Request policies outlining the steps that need to be taken in response to a Subject Access Request.

## **16.8 Data retention**

GDPR requires that data should be held in a form which allows identification of the individual for the shortest time possible, and should then be anonymised or erased. As early as possible in the life cycle of the data, the data controller should have processes in place to remove any identifying reference to the data subject. However, when deciding upon retention periods, consideration must be given to all elements of the legal framework, which includes the National Archives Act 1986.

### **16.8.1 National Archives Act 1986**

The National Archives Act requires that all Government departmental records be retained, and then transferred to the National Archives for preservation after 30 years. The Act also applies to departmental records that are processed by a data processor- in this case Pobal- who is appointed by the data controller.

In light of GDPR, DCYA has applied for a Certificate of Disposal from the Director of the National Archives. This will involve an audit of the scheme records by the National Archives, which will identify which records can be disposed of, and which records are required to be retained for archiving purposes.

### **16.8.2 Retention policy and schedule**

When drawing up its Record of Processing Activities mentioned in section 16.3, the Department assigned a retention period to each of its processing activities. These retention periods were decided upon taking into consideration that data should not be retained when there is no longer a business use to process the data.

As long as there is no Certificate of Disposal obtained from the National Archives, the data will be retained as per the National Archives Act 1986. If and when a Certificate of Disposal is obtained, the retention periods, as set out in the Record of Processing Activities, will be applied and the DCYA will finalise its Retention Policy in relation to its departmental records. National Archives requirements apply to both electronic and paper records.

## **16.9 Data breaches**

A data breach is a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed. Data breaches can include, but are not limited to, the following:

- Loss of personal data, for example by misplacing paper files, laptops, unencrypted USB keys etc;
- Transmission of personal data to an unintended data subject, for example by posting or emailing personal data to an incorrect recipient;
- A server failure, resulting in the irreparable loss of data;
- Access to personal data by an unauthorised staff member;
- Malicious external access, e.g. hacking;
- Data leak, e.g. by disgruntled employee.

Data Controllers are required to notify breaches to the Data Protection Commission within 72 hours of becoming aware of the breach. Data Processors are required to notify the Data Controller of the breach “without undue delay”. Under GDPR, Data Processors may be held liable or part-liaible for the breach if they did not inform the Data Controller within the time specified as per the Data Processor Contract. Data subjects must be notified in the event of a breach if there is a high risk to their rights and freedoms. “Near misses” in relation to data breaches need to be logged by Data Controllers and Processors to demonstrate a culture of compliance with GDPR.

The Scheme Administrator will have the following policies in place to help mitigate the potential of a data breach:

- Data Management Policy (which includes policies around Passwords, and Roles and Access)
- Remote Working Site (for any staff working on the NCS system off site)
- Premises Security and Confidentiality Policy (including Clean Desk Policy)
- Staff Internet Conduct & Access Policy

Both DCYA and Pobal have drafted Data Breach Policies which should be adhered to in the event of a data breach.

## **16.10 Overseas transfer of data**

The personal data of data subjects using the National Childcare Scheme will not be processed outside of the EEA.

## **16.11 Data Protection Officer**

Both the Department and Pobal have appointed a Data Protection Officer. The DPO is a public facing role with direct access to senior management, whose main roles include, but are not limited to:

- Liaison and contact point with the Data Protection Commissioner
- Education, Training & Awareness for staff in relation to Data Protection
- Advisory & Risk management, including supporting Data Protection Impact Assessments
- Data Protection governance, and monitoring compliance with Data Protection law

The contact details for the Department and Pobal DPOs are on their respective Data Protection Policies.

## 17. Transitional Arrangements

This chapter describes the transitional arrangements which will apply in the first year of the Scheme. Section 17.1 lists the schemes which will be replaced by the National Childcare Scheme. Section 17.2 provides a summary overview of transitional arrangements for existing scheme beneficiaries. Sections 17.3 and 17.4 provide more detail on eligibility for subsidies and payment of subsidies respectively. Section 17.5 describes the events which will end the transitional period. Section 17.6 stipulates requirements in relation to regular reporting by providers, while sections 17.7 and 17.8 provides further detail on these requirements as they relate to a child's departure from the service and a child's continuous absence from the service. Section 17.9 concerns compliance. Section 17.10 describes rights of review.

### 17.1. Schemes being replaced

The National Childcare Scheme replaces the following schemes ('legacy schemes') which provide childcare subsidies to parents:

- Community Childcare Subvention Plus (including CCS Resettlement/Transitional)
- Childcare Education and Training Support
- After-School Childcare
- Community Employment Childcare

The Childcare Education and Training Support, After-School Childcare and Community Employment Childcare schemes are collectively known as the TEC schemes.

From midnight on 15<sup>th</sup> November 2019, no new registrations for the Community Childcare Subvention Plus scheme will be accepted. However, all those registered and in receipt of a subsidy under that scheme will be entitled to retain that subsidy for a transitional period of time in accordance with the requirements set out in this chapter.

Taking account of academic course enrolment cycles and certain other matters, the TEC schemes will remain open until 14<sup>th</sup> February 2020, with no new applications accepted after that date.

### 17.2. Transitional arrangements for existing beneficiaries

While many of those benefitting from the legacy schemes will see their level of subsidy rise under the National Childcare Scheme, some parents may not qualify for a subsidy under the

new Scheme or may see their subsidy reduce. They may also see a reduction in the number of subsidised hours.

The Childcare Support Act 2018 provides for a transition period during which those parents can choose to continue to receive (subject to certain conditions set out in this chapter) the same hours and level of financial support they would have received under the previous legacy schemes. To this end, the legacy schemes will continue for the 19/20 cycle in parallel with the National Childcare Scheme, subject to the closure dates set out in section 17.1.

Beneficiaries may remain on the legacy scheme while applying for the National Childcare Scheme and up until the point that the service provider registers a claim against their National Childcare Scheme award, and the parent approves that claim.

In other words, even after receiving their CHICK, the parent can decide not to use it and remain on their legacy scheme. However, once the childcare provider makes a claim which the parent approves, the legacy scheme registration will be ended by the Scheme Administrator.

### **17.3. Eligibility for the transition period arrangements**

Beneficiaries who are registered for the Community Childcare Subvention Plus scheme on 15<sup>th</sup> November 2019 (or registered for the TEC schemes before 14<sup>th</sup> February 2019) will continue to receive the payment associated with that registration following the National Childcare Scheme launch unless the conditions in section 17.5 “Ending the Transition Period” are met.

**Providers will be required to ensure that all registrations are up to date and reflecting attendance in line with the rules of the relevant legacy scheme as at 15<sup>th</sup> November 2019/ 14<sup>th</sup> February 2020, as appropriate. Providers will also be required to ensure that registrations are consistent with attendance levels during this period.**

Beneficiaries will not be entitled to be re-assessed under legacy schemes although they may adjust their days and/or session types through the service provider.

With the closure of the legacy schemes, the PIP system will close for new registrations. To facilitate providers in updating existing registrations, the PIP system will reopen at defined periods (“Saver Management Window”) throughout the year. Providers will be required to update registrations to reflect attendance in line with scheme rules. Updates will be for any changes within the period since last “Saver Management Window”.

Where a child leaves the service, the departure must be notified to Pobal immediately.

### **17.4. Payment of transitional subsidies**

The Scheme Administrator will make payments in line with the legacy scheme payment cycles. The transitional subsidy will be paid subject to the rules on non-attendance as set out in this

chapter. Payment of transitional subsidies will take account of updates made by providers in the preceding “Saver Management Window”.

## 17.5. Ending the transition period

Beneficiaries of the legacy schemes may continue to receive a transitional subsidy until one of the following events occur:

- The beneficiary ceases to be eligible for the CCSP or TEC scheme, as appropriate, based on the rules of those schemes.
- A childcare service provider registers the child associated with the transitional subsidy for the National Childcare Scheme and the parent approves that registration, i.e. “claims an NCS award”.
- The child ceases to avail of childcare (subject to the rules on non-attendance set out in this chapter).
- Such other events as may be outlined in the rules relating to the legacy schemes.

## 17.6. Reporting by providers

The rules set out in the remaining sections of this chapter will apply to the legacy schemes for the entire duration of the 2019/2020 programme year, i.e. from August 2019 until August 2020.

In respect of every child attending the service for whom a transitional subsidy is paid, the provider will be required to ensure that the PIP system is up-to-date with regard to:

- a) Any departures from the service;
- b) any absence for a continuous period of four or more consecutive weeks;
- c) Variations in attendance within the parameters of persistent under-attendance as defined in 17.8

In respect of a) and b), providers must notify the Scheme Administrator immediately when the event arises. Outside the period of the Saver Management Window, providers will be required to notify Pobal who will update the PIP system to reflect the departure or absence. Within the period of the Saver Management Window, it will fall to the provider to update the system to reflect the departure or absence.

In respect of c), the providers will be required to update PIP registrations as appropriate within the next available “Saver Management Window”.

## 17.7. Departure from service

Providers will be required to report each child who has left the service and the date on which the child left the service. Payment of financial support will cease from the date the child left the service and confirmation of this cessation will be sent by the Scheme Administrator to the provider.

Parents should give providers four weeks' notice of a departure from a service. This will allow providers to notify the Scheme Administrator of a child's departure in advance, with payment ceasing on the actual date of departure. In cases where no notice of the departure is given to the provider, the provider may claim four weeks subsidy in lieu of notice.

Where a child is moving service, the applicant may apply and register under the National Childcare Scheme. However, this will only be permitted where the previous provider has recorded a date of departure and this date does not conflict with the commencement date in the new service (i.e. there is no overlap).

Where the new provider is blocked from registering the child, it will be a matter for the parent to liaise with the previous provider in relation to recording the child's departure on the provider portal.

## 17.8. Continuous period of absence of four consecutive weeks

In the event of an absence of more than 4 consecutive weeks, the provider must end date the registration at the expiration of the 4 week period or the provider may upload a letter from the parent outlining any special circumstances which may apply. Any such letter must be uploaded within two weeks of the expiration of the 4 week period and, ideally, should be submitted in advance where possible.

### ***Special circumstances***

The following are situations which qualify as "special circumstances", subject to approval by the Scheme Administrator:

<b>Qualifying Circumstance</b>	<b>Maximum Absence for which Subsidy is payable</b>
Immediate family bereavement	6 weeks
Extended travel once a year to the birthplace of the child or either of the child's parents	6 weeks
Family moving into or out of emergency accommodation <sup>55</sup>	6 weeks
Child moving into or out of care placement	6 weeks
Prolonged illness (more than four weeks), of either the child or a parent	At discretion of Scheme Administrator up to a maximum of 12 weeks

The relevant CCC may seek supporting proof of special circumstances. Acceptable proofs may include a letter or medical certificate which can be uploaded onto the system by the provider (as provided by and with the agreement of the parent).

Where a letter is submitted and the relevant CCC decides that special circumstances do not apply, the provider must end date the registration and payment will cease with effect from that end date. The end date can be no later than the end of the four weeks of continuous absence.

Where no letter is submitted within the two week timeframe (i.e. by end of six weeks of continuous absence), the provider must end date the registration and payment will cease with effect from that end date. The end date can be no later than the end of the four weeks of continuous absence.

Where a letter is submitted no later than 6 weeks from the original absence but later than 4 weeks (and consequentially the registration has been end dated), the registration may be restored from the end-dating of the registration.

Where a child has returned to the service within the two week timeframe where a letter may be submitted and considered, an end-dated registration may be restored at the discretion of the Scheme Administrator.

Providers may notify the relevant CCC in advance of a forthcoming continuous absence where they believe special circumstances will apply.

### **Under-attendance**

Where a service is notified that a child, availing of a legacy scheme, is reducing their level of attendance e.g. from four full days per week to two full days per week or from full-time to part-time, this must be updated on PIP immediately. The service will set a leave date on current registration and reregister the child with new level of attendance.

Where attendance differs from registration consistently over a four week period, registrations must be updated to reflect the actual number of days the child attends and this update must occur within four weeks of the reduced attendance pattern commencing.

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<sup>55</sup> Where the child is not the subject of a sponsor referral. Further details are available in chapter 14.

## **17.9. Compliance**

Compliance requirements in relation to transitional arrangements (and associated actions for non-compliance) will be in line with the relevant contract for the legacy scheme and with the Rules for DCYA Childcare Funding Programmes 19/20.

## **17.10. Reviews**

A person may seek a review of a decision to end-date a transitional subsidy. This review will be conducted in accordance with the rules and procedures of the relevant legacy scheme, i.e. it will not be a review under section 17 of the Childcare Support Act 2018 but, rather, a review under the rules of the relevant legacy scheme.

## **Appendix 1: Monitoring and Evaluation Framework**



## Monitoring and Evaluation Framework

### 1. Introduction and Purpose of Framework

The National Childcare Scheme is a new national scheme of financial support for families in Ireland. By making childcare more affordable, the Scheme aims to progressively improve access to childcare and, through this, to contribute to far-reaching national policy objectives ranging from positive child outcomes to labour market activation and poverty reduction. The purpose of this Monitoring and Evaluation Framework is to establish a framework, prior to the introduction of the scheme, for ongoing and periodic assessment of the Scheme's success in meeting its objectives. It sets out the measures which policy-makers will use to monitor the Scheme on a continual basis, as well as to evaluate the Scheme at regular intervals.

Section 2 of this framework document details the Scheme's policy objectives, while section 3 summarises the main monitoring and evaluation requirements. Section 4 concludes by considering the implementation and review of the framework. Appendix A sets out the framework itself.

### 2. Scheme Objectives and Approach to Framework

The framework is grounded in the Scheme's policy objectives as articulated in the 2016 published policy paper. As stated in that paper, the scheme's **direct** objectives are to:

- provide a system of progressive financial support towards the cost of childcare,
- ensure that everyone is assessed on the same consistent, equitable basis having regard to their income and their need for childcare,

- be administratively clear and straightforward, leveraging the benefits of technology to enable timely self-assessment to the greatest extent possible,
- support parental choice and geographic access in terms of allowing a choice of registered childcare provider,
- be robust, with clear, well-defined eligibility rules set down in primary legislation and strong underlying systems and structures, and
- through all of the above, provide a sound, sustainable and flexible platform for future investment in childcare in Ireland.

Having regard to these direct objectives, the framework sets out a range of indicators in respect of the Scheme's outputs and outcomes. It stipulates specific data sources in relation to each and, where possible, identifies baseline data to be used for subsequent progress reporting.

By delivering on its direct objectives, the Scheme aims to contribute to the higher level (**indirect**) objectives of:

- ensuring that access to affordable childcare is not a barrier to labour market participation, including female labour market participation,
- promoting positive child outcomes,
- narrowing the gap in attainment between more and less advantaged children by enabling all children to access high quality, affordable childcare,
- driving quality across the sector, and
- through these objectives, contributing to poverty reduction in Ireland.

The framework also sets out indicators in respect of these indirect objectives. The intention is to monitor and measure the potential impact of the Scheme in supporting these higher level aims, while acknowledging the confluence of wider external and environmental factors which affect their achievement. In this regard, the lack of direct attribution between cause (NCS) and effect (desired outcome) will create a notable challenge and will require a considered approach to the use of empirical academic literature as well as national and international statistics. The ESRI SWITCH microsimulation model will also be valuable in meeting the challenge of evaluating the likely causal impact of the scheme on indirect policy objectives.

With regard to the higher level policy objective of driving quality across the sector, it is worth stating that this objective guided the overall supply-side approach embodied by the National Childcare Scheme and represented a crucial starting point in designing the

Scheme<sup>56</sup>. The Scheme also contains several levers for driving continuous quality improvement, albeit that it is anticipated that these will be used over time. As such, there may be limited scope for an assessment of the Scheme against this objective within the first three years of its implementation.

Finally, the framework also details a core set of process indicators designed to assist in assessing the ongoing efficiency and effectiveness of the Scheme and its administration.

### 3. Monitoring and Evaluation Requirements

The framework will support ongoing monitoring of the Scheme and will also provide a platform for delivering on commitments to (a) commence a review of the Scheme, under section 26 of the Childcare Support Act 2018, twelve months after the first subsidies are paid and (b) conduct a full formal evaluation after three years.

As part of monitoring requirements, the scheme administrator, Pobal, will submit **monthly reports** to DCYA encompassing the following central information:

Table 1: Key Output and Process Measures for Monthly Monitoring

<b>Output Measures</b>	<ul style="list-style-type: none"> <li>1.1 Number and percentage of childcare services providing NCS</li> <li>1.2 Average weekly payment amount per child (universal/ targeted)</li> <li>1.3 Number of children receiving NCS subsidies</li> <li>1.4 Number of households supported through NCS</li> <li>1.5 Total amount of money provided on behalf of parents through NCS</li> <li>1.6 Number of applications received (online/ by post)</li> <li>1.7 Number of universal applications processed by outcome</li> <li>1.8 Number of income-related applications processed by outcome</li> </ul>
<b>Process Measures</b>	<ul style="list-style-type: none"> <li>4.1 Overall scheme administration cost and cost per application</li> <li>4.2 Average processing times (automated/ manual/ mixed)</li> <li>4.3 Number of reviews completed</li> <li>4.4 and 4.5 Number of compliance visits conducted and % compliant</li> <li>4.6 and 4.7 Number of applicant validations completed and % valid</li> <li>4.8 and 4.9 Number of appeals completed and number upheld</li> <li>4.10 and 4.11 Number of complaints received and number upheld</li> <li>4.12 and 4.13 Number and value of overpayments identified and number and value recouped</li> </ul>
Please see Parts A and D of the Framework at Appendix A for further details.	

<sup>56</sup> The 2015 IDG Report on the Future of Childcare in Ireland provides further detail on the evidence in support of supply-side funding approaches as a means of supporting policy objectives of quality, equity and positive child outcomes.

A formal **annual report** will also be submitted setting out comprehensive information in relation to administration of the Scheme in the preceding year. In addition to the output and process measures detailed above, this annual report will include evidence and analysis in respect of the following direct outcomes:

**Table 2: Key Direct Outcome Measures for Annual Monitoring**

<b>Direct Outcome</b>	<b>Main Measure for Outcome</b>
2.1 Sustainable introduction of the new scheme	2.1.1 Legislative, ICT, governance, administrative and data protection structures in place  2.1.2 Legislation and ICT supports annual change in key policy parameters (i.e. income thresholds, rates etc)
2.2 Reduction in the net cost (i.e. out of pocket cost) of regulated childcare to parents	2.2.1 Change in NCS subsidy rates (universal and income-related) relative to change in childcare fees  2.2.2 Childcare costs as a proportion of gross earnings for lone parents and couples  2.2.3 Average amount spent per hour on paid, non-parental childcare
2.3 Lower income parents receiving the most subsidy	2.3.1 Progressive policy rules  2.3.2 Average subsidy amount by income decile  2.3.3 Average subsidy amount by deprivation indicator
2.4 Consistent, more equitable system for parents	2.4.1 Single, national transparent ruleset  2.4.2 Parent views on scheme clarity and fairness  2.4.3 Percentage of awards reviewed and appealed (c/ref: 4.4 & 4.7)
2.5 Timely online application process	2.5.1 Average time from submission of complete application to award (c/ref: 4.2)
2.6 User-friendly application process	2.6.1 Percentage of online users who do not require customer (offline) support  2.6.2 Average time taken to complete application form  2.6.3 Percentage of users who agree with the statement 'The online NCS application process is user friendly' (Underlying reasons to be explored).
2.7 Efficient scheme processes involving acceptable administrative burden for relevant State bodies and providers	2.7.1 Administration overhead as percentage of NCS budget (c/ref: 4.1)  2.7.2 Number of NCS administrative hours per

	child for providers
2.8 Parental choice facilitated by scheme	2.8.1 Percentage of parents who agree with the statement 'NCS facilitated me to choose the childcare provider that was right for me'
2.9 Comprehensive national coverage facilitated by scheme	2.9.1 Regional uptake (as measured by awards claimed) is proportionate to the population of eligible children, with minimal regional variation.
2.10 Clearer system for State bodies and service providers in terms of good governance and financial management	2.10.1 Expert opinion on clarity of scheme rules 2.10.2 Service Provider experience of clarity of rules and remittance information
2.11 Sustainable platform for future investment	2.11.1 Legislation and ICT supports annual change in key policy parameters (i.e. income thresholds, rates, enhanced and standard hours etc) and system is scalable (c/ref: 2.1.2)
2.12 Legally robust scheme with clear and consistent rules	2.12.1 Primary and secondary legislation in place 2.12.2 Percentage of cases escalating to ombudsman
2.13 System which contributes to coherent, joined-up policy development and performance management of early years systems and structures	2.13.1 Rationalisation, ie replacement of multiple schemes with one scheme (and associated performance management) 2.13.2 Agreed evaluation framework and set of monitoring reports designed and provided 2.13.3 Integrated ICT system developed following approval by and in line with requirements of the OGCI0 peer review group.
Please see Part B of the Framework at Appendix A for further details.	

The format of monthly and annual reports will be agreed between the Department and Pobal as per the Scheme's Performance Delivery Agreement and will be subject to annual review as part of the Programme of Work agreed between the two bodies.

Section 26 of the *Childcare Support Act 2018* provides for a review of the operation of the scheme to commence 12 months after the first payment of subsidies under the scheme ('**12 month review**'). A report of this review will be laid before each House of the Oireachtas by the Minister for Children and Youth Affairs.

The 12 month review should consider all of the Process, Output and Direct Outcome measures listed in parts A, B and D of the framework (see table 1 and 2 above). Given the relatively short implementation timeframe prior to initiating this review, it will be premature for the review to assess the Scheme's contribution to higher-level, indirect objectives and data will simply not be available to enable evaluation against the indirect indicators presented in part D of the framework. However, the review may have regard to the baseline and broader trends in relation to these indirect objectives. SWITCH analysis

may also allow some modelling of the estimated effect of the scheme in terms of incentives to work and, therefore, contribution to the broader policy objectives of labour force participation and poverty reduction.

The stated policy intention of section 26 of the legislation was to ensure an early review of the scheme to identify, in a timely way, any key issues or challenges which need to be addressed rapidly. Acknowledging this policy intention, as well as the commitment to a comprehensive 3 year evaluation, it is proposed that the 12 month review should be focused and delivered within a relatively short window, i.e. a final draft report submitted to the Minister in under six months from date of review initiation.

The formal **three year evaluation** of the Scheme should be comprehensive, covering all measures and indicators set out in the framework to the greatest extent possible. In this regard, it is acknowledged that indirect indicators may prove a challenge (please see the particular issues outlined above in relation to measuring the impact of quality). While this framework will represent an important starting point for the 3 year evaluation, it will nonetheless require strong advance planning, commencing from early in year 3 of the scheme's implementation but with reference to a full three years' worth of data.

**Table 3: Key Indirect Outcome Measures for Medium-term Evaluation**

<b>Indirect Outcome</b>	<b>Main Measure for Outcome</b>
3.1 Scheme supports all children, but especially children in lowest income groups/ most disadvantaged households, to access affordable, quality childcare	3.1.1 Number and percentage of children, by age group, income decile and deprivation indicator, availing of scheme
3.2 Long-term reduction in child poverty, both through positive child and labour market outcomes	3.2.1 Number and proportion of children in bottom three income deciles benefiting from scheme 3.2.2 Number and proportion of children aged 1-2 years in bottom three income deciles benefiting from scheme 3.3.3 Labour market participation rates 3.3.4 Female labour market participation rates
3.3 Higher quality services	3.3.1 Scheme and supporting ICT system which allow for initiatives targeted at increasing quality
3.4 Improved child development outcomes nationally	3.4.1 Quality of childcare provided (as per Quality assessment tool) 3.4.2 Percentage of children from disadvantaged households accessing quality childcare
3.5 More people with young families supported to enter/return to the labour market	3.5.1 Net financial impact of NCS on financial incentive to work 3.5.2 Labour market status of head of households for families (two parent, one parent) with children under 15 years of age
3.6 Increased female labour market participation	3.6.1 Maximum, average and universal subsidy rate as % of average full-time fees

	3.6.2 Employment rate of women with children 3.6.3 Percentage of under 3 year olds in formal childcare 3.6.4 Percentage of 6- 14 year olds in childcare services in contract with DCYA
Please see Part C of the Framework at Appendix A for full details.	

## 4. Implementation and Review of the Framework

In order to support effective implementation of the Monitoring and Evaluation Framework, the Department has approved a business case for the upgrading of Pobal’s Data warehouse to support sophisticated and timely analysis of pseudonymised<sup>57</sup> scheme data drawn from the scheme’s supporting ICT system (i.e. the Early Years Platform). In addition, the Department has agreed to renew its membership of the SWITCH research programme for the forthcoming programme cycle (2019- 2021). Both of these initiatives will ensure that high quality data, models and analytic resources are available to support effective ongoing monitoring, annual review and periodic evaluation of the scheme, as well as supporting ex-ante evaluation of potential changes to the Scheme.

Implementation of the framework will be managed in the context of overall scheme governance, oversight and performance management.

Appendix A of the Monitoring and Evaluation Framework is set out overleaf.

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<sup>57</sup> Names and PPS numbers will not be transferred to the data warehouse, with the PPS number put through a cryptographic hashing function to result in a secure key for identifying unique individuals within the data warehouse, while ensuring anonymity of data.

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
<b>A. Outputs</b>							
1.1	Provide a system of progressive financial support towards the cost of childcare (Progressiveness and Affordability);	Number and percentage of services providing NCS	1.1.1 Number of unique facilities who are in contract to deliver the NCS scheme and number in contract as a percentage of all services (excluding sessional-only).	Early Years Platform	Number of existing services (4,500); Number of services currently providing targeted services including CCSU	As of the 17th of November there were 3,650 facilities contracted to deliver the NCS. This represents a 10% increase on the number of services registered to deliver targeted subsidies on the previous year.	Ongoing
1.2	Provide a system of progressive financial support towards the cost of childcare (Progressiveness and Affordability);	Average weekly payment amount per child (for universal and for targeted)	1.2.1 Average (total value / total no. of Children) value of payments made for universal claims on a representative term week. 1.2.2 Average (total value / total no. of Children) value of payments made for targeted claims on a representative term week.	Early Years Platform	Average weekly amount payed under previous targeted schemes (PIP)	The average weekly payment per child under targeted subsidies is €127 per week. This figure is €152 for the lowest income decile of applicants.	Ongoing
1.3	Provide a system of progressive financial support towards the cost of childcare (Progressiveness and Affordability);	Number of children receiving NCS subsidies annually	1.3.1 Total number of unique children who received at least one weekly subsidy during a calendar (or academic) year period.	Early Years Platform	Number of children on current targeted schemes within a comparable timeframe	In 2020, NCS subsidies were made in respect of 121,539 children.	Ongoing

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
1.4	Provide a system of progressive financial support towards the cost of childcare (Progressiveness and Affordability);	Number of households supported through NCS	1.4.1 Number of unique household units (as represented by applications with an active claim) in receipt of subsidies on a given week	Early Years Platform	Number of families (children counted by reference to parental PPSN). supported in pre-NCS targeted schemes		Ongoing
1.5	Provide a system of progressive financial support towards the cost of childcare (Progressiveness and Affordability);	Amount of money provided on behalf of parents through NCS	1.5.1 Total NCS subsidy value paid to providers. (Total spend minus any NCS repayments / recoupments.)	Early Years Platform / SUN	Amount of money paid out on targeted schemes pre-NCS	In 2020, NCS paid €157,925.27 towards the cost of childcare in Ireland.	Ongoing
1.6	Be administratively clear and straightforward, leveraging the benefits of technology to enable timely self-assessment to the greatest extent possible (Efficiency and Responsiveness)	Number of applications received by application route	1.6.1 Number of online applications within a specified time period 1.6.2 Number of postal applications within a specified time period	Early Years Platform	N/A	In 2020 Pobal received the following applications for the Affordable Childcare Scheme: 60,000 online, 45,000 postal (105,000 total)	Ongoing
1.7	Be administratively clear and straightforward, leveraging the benefits of technology to enable timely self-assessment to the greatest extent possible (Efficiency and Responsiveness)	Number of universal applications processed by outcome	1.7.1 Percentage eligible and ineligible 1.7.2 Percentage awarded 1.7.3 Percentage claiming against an award	Early Years Platform	N/A	In 2020, there were 42,106 applications for universal support under NCS. Of these 98% were eligible for an award however just 68% of awards went on to be claimed.	Ongoing
1.8	Be administratively clear and straightforward, leveraging the benefits of technology to enable timely self-assessment to the greatest extent possible (Efficiency and Responsiveness)	Number of targeted applications processed by outcome	1.8.1 Percentage eligible and ineligible (enhanced vs standard) 1.8.2 Percentage awarded (enhanced vs standard) 1.8.3 Percentage claiming against an award (enhanced vs standard)	Early Years Platform	N/A	In 2020, there were 73,421 applications for targeted support under NCS. Of these 94% were eligible for an award. 57% were awarded an enhanced award with a 92% uptake (awards claimed) rate against these awards.	Ongoing

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
<b>B. Direct Outcomes</b>							
2.1	Provide a system of progressive financial support towards the cost of childcare (Progressiveness and Affordability);	Sustainable introduction of the new scheme.	2.1.1 Legislative, ICT, governance, administrative and data protection structures in place 2.1.2 Legislation and ICT supports annual change in key policy parameters such as rates, income thresholds, age groups and hours	Primary legislation, secondary legislation, policy guidelines, IT System & Administrative Contracts	N/A	October 2019 saw the full introduction of the Affordable Childcare scheme, utilising a flexible ICT system which can be used as the basis for future early years investment.	Annual
2.2		Reduction in the net cost of regulated childcare to parents,	2.2.1 Change in NCS subsidy rates (universal, maximum and average) relative to change in childcare fees (ie demonstration that subvention passed on to parents)	2.2.1 Early Years Platform Early Years Sector Profile Report	<a href="https://www.pobal.ie/app/uploads/2018/06/Early-Years-Sector-Profile-Report-2016-2017.pdf">https://www.pobal.ie/app/uploads/2018/06/Early-Years-Sector-Profile-Report-2016-2017.pdf</a>	In childcare services delivering the NCS, childcare fees have increase by an average of €0.22 per hour. State investment has increased at an average of €0.57 per hour for children registered in these services. This would indicate that the majority (almost two thirds) of the investment	Annual

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
	Provide a system of progressive financial support towards the cost of childcare (Progressiveness and Affordability);	Reduction in the net cost of regulated childcare to parents,	2.2.2 Out of pocket cost of childcare as a proportion of gross earnings for (a) lone parent and (b) two parent family at (i) 25th percentile of the full-time earnings distribution and (ii) 50th percentile of the full-time earnings distribution 2.2.3 Average amount spent per hour on paid non-parental childcare	2.2.2: OECD Tax/ Benefit Model??? 2.2.3: SWITCH; QNHS	2.2.2: Browne, J. et al. (2018), "Faces of Joblessness in Ireland: A People-centred perspective on employment barriers and policies", OECD Social, Employment and Migration Working Papers, No. 209, OECD Publishing, Paris. <a href="http://dx.doi.org/10.1787/40958439-en">http://dx.doi.org/10.1787/40958439-en</a> 2.2.3: <a href="https://www.cso.ie/en/releasasanpublications/er/q-chi/qnhschildcarequarter32016/">https://www.cso.ie/en/releasasanpublications/er/q-chi/qnhschildcarequarter32016/</a>	The average amount spent per hour on paid non-parental childcare for pre-school children is has reduced from €4.20 to €3.50 since the introduction of the scheme.	3 year evaluation
2.3		Lower income parents receiving the most subsidy	2.3.1 Policy rules and guidelines which demonstrate progressive distribution. 2.3.2 Average subsidy amount by income decile for relevant population cohort. 2.3.3 Average subsidy amount by geographic deprivation indicator.	2.3.1 Primary legislation, secondary legislation, policy guidelines 2.3.2 EYP & CSO 2.3.3 EYP & Pobal HP Deprivation index	2.3.1 N/A 2.3.2 N/A 2.3.3 N/A (No-geo data on applicants in PIP)	The average weekly payment per child under targeted subsidies is €127 per week. This figure is €152 for the lowest income decile of applicants. A geographic analysis shows that parents living in more disadvantaged areas claim, on average, 22% more under NCS than those in areas identified as marginally above or below average.	Annual

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
2.4	Ensure that everyone is assessed on the same consistent, equitable basis having regard to their income and their need for childcare (Equity);	Consistent, more equitable system for parents than predecessor schemes	2.4.1 Once single national transparent ruleset. 2.4.2 Parents described the scheme as clear and fair 2.4.3 Percentage of awards which are reviewed & appealed	2.4.1 Primary legislation, secondary legislation, policy guidelines, IT System & Administrative Contracts 2.4.2 Parent survey 2.4.3 EYP	N/A	During 2020 the number of applications which were subsequently appealed dropped from 7% in Q1 to below 4% in Q4. Likewise, over two thirds of applicants agreed that the scheme rules were clear.	Annual
2.5		Timely online application process	2.5.1 Average time from complete application submission to award	Indicators listed at 4.2	n/a	In 2020 processing times took, on average, 43 hours for automated cases and 13 days for offline applications	Annual
2.6	Be administratively clear and straightforward, leveraging the benefits of technology to enable timely self-assessment to the greatest extent possible (Efficiency and Responsiveness)	User-friendly online application process	2.6.1 % of users who do not require customer (offline) support. 2.6.2 Average time taken to complete application form 2.6.3 % of users who agree with the statement 'The online NCS application process is user friendly' (Underlying reasons to be explored).	2.6.1 Early Years Platform 2.6.2 & 3. Parent survey	N/A	Over 60% of applicants were awarded their subsidy through the online process. These applicants received their award in an average of 2 days 3 hours and, over 65% agreed that the process was user friendly.	Annual

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
2.7	Be administratively clear and straightforward, leveraging the benefits of technology to enable timely self-assessment to the greatest extent possible (Efficiency and Responsiveness)	Efficient assessment process involving acceptable administrative burden for relevant state bodies (DCYA, DSP and Pobal) and for childcare providers	2.7.1 Administration overhead as % of NCS budget 2.7.2 Number of admin hours per child on NCS	[Departmental estimate of resource impact] 2.7.1 Pobal resource levels as agreed as part of annual allocation and Programme of Work. 2.7.2 Pobal Early Years Sector Profile Report	Given that this is a new scheme, there will be no data available for year one. However subsequent year on year analysis will be used. 2.7.2 Non contact time can be assessed against previously reported hours, however this indicator is not limited to scheme admin burden.	Efficiencies brought about by the automated nature of scheme decision making has resulted in administrative efficiencies in programme delivery. The has brought the administrative overhead from X% to Y%.	Annual
2.8	Support parental choice and geographic access in terms of allowing a choice of registered childcare provider (Choice and Access);	Principle of parental choice of service provider facilitated by scheme	2.8.1 % of parents who agreed with the statement 'NCS facilitated me to choose the childcare provider that was right for me'	Parent Survey	N/A	63% of parents agreed that NCS had facilitated them to choose the service provider that was right for them.	Annual
2.9		System designed to deliver comprehensive national coverage	2.9.1 Regional uptake (judged by number of awards claimed) is proportionate to the population of eligible children, with minimal regional variation.	Early Years Platform (Supply proxy) CSO data (Demand Proxy) Data connected through geographic join for regional breakdown of relative uptake levels.	Current levels of scheme uptake, proportionate to population levels, for pre-NCS targeted schemes.	Geographic analysis of the distribution of funding through NCS shows little relative regional variation, indicating a high degree of national coverage.	Annual

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
2.10	Be robust, with clear, well-defined eligibility rules set down in primary legislation and strong underlying administrative systems and structures (Good governance).	Clearer system for State bodies and service providers in terms of good governance and financial management	2.10.1 Expert opinion on clarity of scheme rules 2.10.2 Service Provider experience of clarity of rules & remittance information	2.10.1 Expert report 2.10.2 Service Providers survey	Expert report (Mazars / Crowe)	An independent review of the scheme rules identified that the rules were clearly documented and consistently understood.	Annual
2.11		Sustainable platform for future investment	2.11.1 The policy and legislation is flexible and the ICT system is scalable and configurable along the following parameters: Income thresholds Hours Child age Provider type Subsidy rate Multiple child deduction	Primary legislation / ICT system specifications	N/A	The development of the NCS system in a configurable manner allows for scheme rules, subvention rates, age bands and other such policy variables to be changed annually by regulation, without the need for additional ICT development work.	Annual
2.12		Legally robust scheme with clear and consistent rules	2.12.1 Primary and secondary legislation in place. 2.12.2 Percentage of cases escalating to ombudsman	2.12.1 Primary and secondary legislation; Number of successful legal challenges. 2.12.2) Number of complaints to Ombudsman upheld.	N/A	Following the enactment of primary and secondary legislation without legal challenge, just 0.07% of cases were escalated to the ombudsman in the first year of scheme implementation.	Annual
2.14		System which contributes to coherent, joined-up policy development and performance management of early years systems and structures	2.13.1 Rationalisation, ie replacement of multiple schemes with one scheme (and associated performance management). 2.13.2 Agreed evaluation framework and set of monitoring reports designed and provided. 2.13.3 Integrated ICT System developed following approval by and in line with requirements of the OGCI0 peer review group.	2.13.1 Single scheme set down in statute with single scheme governance framework. 2.13.2 Evaluation Framework 2.13.3 OGCI0 correspondence	2016 IDG report on Childcare	The NCS scheme has replaced the previous targeted schemes with a single scheme grounded in statute and underpinned by a comprehensive ICT system approved by OGCI0 which provides an integrated platform for the delivery of investment into Ireland's childcare sector.	Annual

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
<b>C. Indirect Outcomes</b>							
3.1	Promoting positive child outcomes and narrowing the gap in attainment between more and less advantaged children by enabling all children to access high quality, affordable childcare	Scheme supports all children, but especially children in lowest income groups/most disadvantaged households, to access affordable quality childcare	3.1.1 Number and percentage of children by age group and income decile and geographic deprivation levels who are accessing centre based childcare.	3.1.1 EYP, Deprivation Index, Social Impact Assessment	Number of children, by age group, income decile and geographic deprivation level, availing of current targeted schemes.?	In 2020 the NCS supported 123,501 children. The average household income among those receiving targeted subsidies was €33,127. This is €X,XXX below the national average household income. Likewise, 74% of children for whom targeted subsidies were paid, lived in deprived areas.	3 year review
3.2		Long-term reduction in child poverty, both through positive child and labour market outcomes	3.2.1 Number and proportion of children in bottom three income deciles benefiting from scheme 3.2.2 Number and proportion of children aged 1- 2 years in bottom three income deciles benefiting from scheme 3.2.3 Labour market participation rates 3.2.4 Female labour market participation rates	3.2.1 and 3.2.2: EYP/CSO data; Social Impact Analysis (income decile data); SWITCH 3.2.3: CSO QNHS data (labour market participation); SWITCH (replacement rates and METR modelling)		Analysis through the SWITCH model has identified that the NCS provides a direct incentive to female labour market participation through the reduction in hourly childcare costs, particularly for families in the lowest three income deciles. This is in line with the national trend of increased labour market participation as reported by the CSO.	3 year evaluation
3.3	Driving quality across the sector	Higher quality services	3.3.1 Scheme and supporting ICT system which allow for initiatives targeted at increasing quality. (ie integration with AIM)	Subsequent quality focussed policy initiatives supported by NCS and its ICT system			3 year evaluation

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
3.4	Driving quality across the sector	Improved child development outcomes nationally	3.4.1 Quality of childcare provided (as per Quality assessment tool) 3.4.2 Percentage of children from disadvantaged households accessing quality childcare	These will form key research questions within the three year evaluation if possible and, certainly, subsequent reviews and evaluations	N/A	The three year review found that over 52,000 children from disadvantaged households received childcare, in services which had demonstrated a minimum standard of quality. Based on research from the ESRI this number of hours of childcare, for this cohort of children is proven to improve average socio-emotional outcomes which will likely persist throughout the lifecourse of these children.	3 year evaluation
3.5	Ensuring that access to affordable childcare is not a barrier to labour market participation	More people with young families supported to enter/return to the labour market	3.5.1 Net financial impact of NCS on financial incentive to work 3.5.2 Labour market status of head of households for families (two parent, one parent) with children under 15 years of age	3.5.1 SWITCH 3.5.2 CSO/ DEASP data on labour market status of head of households for families (two parent, one parent) with children under 15 years of age.	SWITCH research planned for Q4 2018 on incentives.		3 year evaluation
3.6		Increased female labour market participation	3.6.1 Maximum, average and universal subsidy rate as % of average full-time fees 3.6.2 Employment rate of women with children 3.6.3 Percentage of under 3 year olds in formal childcare 3.6.4 Percentage of 6- 14 year olds in childcare services in contract with DCYA	As per agreed sources for baseline data, i.e. gender equality targets published in REV.	REV 2018 (see gender equality targets agreed as part of the equality budgeting initiative)		3 year evaluation
3.7		Long-term reduction in child poverty	see 3.2	see 3.2	see 3.2		3 year evaluation

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
<b>D. Process Indicators</b>							
4.1		Administration costs	4.1.1 Overall scheme administration cost (Pobal, Outsource provider and DCYA administration cost as percentage of scheme budget). 4.1.2 Cost per application	Early Years Platform	N/A	The overall cost of administering the scheme in 2020 (including Pobal and External Service Provider) was €12.6m. This represents an 8% administration fee, or an average cost of €130 per application.	Ongoing
4.2		Average time between receipt of completed offline / online / partial application and notification of award	4.2.1 Average time between receipt of completed offline / online and partial application and notification of award (broken down by targeted and universal)	Early Years Platform	N/A	Online, Automated, targetted = 51 hours The average time taken from submission of application to provision of award is 5.7 days. This breaks down as follows: Online, Automated, Universal = <1hour Online, Manual, Targetted = 5 days Online, Manual, Universal = 3 days Offline, Automated, targetted = 6 days Offline, Automated Universal = 4 days Offline, Manual, Targetted = 22 days Offline, Manual, Universal = 8 days Partial, Automated, targetted = 7 days Partial, Automated Universal = 3 days Partial, Manual, Targetted = 18 days Partial, Manual, Universal = 6	Ongoing
4.3		Number of reviews completed	4.3.1 Number of reviews completed	Early Years Platform	N/A	in 2020, 21,221 reviews were undertaken	Ongoing

No.	Objective	Output / Outcome	Indicator(s)	Data Source(s)	Baseline	Example (positive) output statement	Timeframe
4.4		Number of NCS programme compliance visits conducted.	4.4.1 Number of NCS programme compliance visits conducted.	Early Years Platform	N/A	in 2020, 449 (10% of facilities) received a compliance visit.	Ongoing
4.5		Percentage of compliance visits found to be compliant	4.5.1 Percentage of compliance visits found to be compliant			15% of compliance visits found providers to be minor or major non-compliant with scheme rules.	
4.6		Number of applicant validations completed	4.6.1 Number of applicant validations completed	Early Years Platform	N/A	In total, 15% (17,429 applicants) were subject to validation checks.	Ongoing
4.7		Percentage of applicant validations found to be valid	4.7.1 Percentage of applicant validations found to be valid	Early Years Platform	N/A	Of this number, 11% (1,829) were found to be non compliant or did not respond.	Ongoing
4.8		Number of appeals completed	4.8.1 Number of appeals completed	Early Years Platform	N/A	in 2020 5,213 appeals were completed.	Ongoing
4.9		Number of appeals upheld	4.9.1 Number of appeals which resulted in a higher award being given.	Early Years Platform	N/A	Of this number 20% (1,042) were upheld.	Ongoing
4.10		Number of complaints received	4.10.1 Number of complaints received	Early Years Platform	N/A	in 2020, 7,042 complaints were received.	Ongoing
4.11		Number of complaints upheld	4.10.11 Number of complaints upheld	Early Years Platform	N/A	Of this number 8% (620) were upheld	Ongoing
4.12		Number and value of overpayments identified	4.12.1 Number and value of overpayments identified	Early Years Platform	N/A	Of the 1,829 the average overpayment identified was 700, totalling €1.3m of identified overpayment.	Ongoing
4.13		Number and value of identified overpayment recouped	4.13.1 Percentage of identified overpayment recouped	Early Years Platform	N/A	To date, €207,313 has been voluntarily repaid to Pobal.	Ongoing

## Appendix 2: Application Proof of Incomes

### Directory of Application Income Proofs

The Directory of Application Income Proofs lists the circumstances under which an applicant will be required to provide the Scheme Administrator with income proofs to proceed with their income assessment and the document types required.

The directory displays the assessment type, the award validity relative to that application type, the document required to prove that income, the method of verification available in that assessment type, and whether that verification can put a block on the processing of the application.

The DCYA is aware that the p60 is being issued for 2018 for the final time. From January 1<sup>st</sup> 2020 this form will be amended to request an applicant's "Employment Detail Summary" (formerly P60) from Revenue. This is the replacement for the p60 that Revenue will make available to customers in PAYE Services in My Account ([www.revenue.ie/myaccount](http://www.revenue.ie/myaccount)) from that point. However, all such applications in 2019 will require a p60 to be supplied.

### Current Year Assessment

Income Type - Current Year Assessment	YTD	Sudden
Validity Period	12 Months	6 Months
	Document Required	Document Required
PAYE Income	NCS Form Completed by the Employer <b>OR</b>	NCS Form Completed by the Employer <b>OR</b>
	Payslips including YTD totals	Payslips including YTD totals
F11 Income	NCS Form mirroring F11 File Structure Agreement	NCS Form mirroring F11 File Structure Agreement
DEASP income	Agree that feed can be used <b>OR</b>	Agree that feed can be used <b>OR</b>
	Form signed by or printed from DEASP	Form signed by or printed from DEASP

## Previous Year Assessment

Income Type - Current Year Assessment	Y-1 - Jan/Feb	Y-1 Mar-DEC
Validity Period	6 months	12 months
	Document Required	Document Required
PAYE Income	NCS Form signed by employer	P21 + p60 per employment
Income Type - Current Year Assessment	Y-1 - F11 Outstanding	Y-1 - F11 Submitted
Validity Period	6 months	12 months
	Document Required	Document Required
F11 Income	NCS Form mirroring F11 File Structure Agreement	Revenue's Notice of Assessment / Indicative Calculation
Income Type - Current Year Assessment	Y-1	
Validity Period	12 months	
	Document Required	
DEASP Income	Form signed by or printed from DEASP	